THE *Nation*

April 22, 1939

The End of Hitler's Money Miracles

BY ADOLF STURMTHAL

Harmony in Conflict

BY HAVELOCK ELLIS

5 CENTS A COPY · FOUNDED IN 1865 · FIVE DOLLARS A YEAR

THE *Nation*

VOLUME 148 NEW YORK • SATURDAY • APRIL 22, 1939 NUMBER 17

CONTENTS

Editor and Publisher
FREDA KIRCHWEY

Managing Editor
ROBERT BENDINER

Literary Editor
MARGARET MARSHALL

Associate Editors
KEITH HUTCHISON
MAXWELL S. STEWART I. F. STONE

Dramatic Critic
JOSEPH WOOD KRUTCH

Business Manager and Director of Circulation
HUGO VAN ARX

Advertising Manager
MURIEL C. GRAY

The Shape of Things

THE NEUTRALITY HEARINGS ARE NOW IN their third week in the Senate and their second in the House. The most effective witness of the week was Professor Charles Fenwick of Bryn Mawr appearing before the House committee. He pointed out that the Geyer resolution, the House equivalent of the Thomas amendment, would confer no powers on the President which he does not already hold, but would make it possible for the United States to use its tremendous economic resources to curb aggression throughout the world. He asked that the legislation be called the Self-Defense Act instead of the Neutrality Act, since its purpose is primarily that of protecting "our own rights and our own future." In view of the sharp division of opinion between isolationists and the advocates of collective security, it appeared increasingly unlikely that either the mandatory provisions desired by Senators Nye and Clark or the full discretionary provisions advocated by Senator Thomas would be adopted. The sentiment for outright repeal of the act seemed to be gaining headway. Repeal, however, would not curtail the aid now being given to aggressors. To meet this situation it is imperative that Congress accept the lead of Senator Pittman and adopt special legislation embargoing trade with Japan.

NEUTRALITY, HOWEVER STRICTLY IT MAY BE maintained, will not obviate severe economic problems in the event of a European war. Under the Johnson Act and the cash-and-carry provisions of the Neutrality Act, Britain and France would be unable to obtain any credit here. But this would not prevent them from making large purchases, since apart from their gold resources their nationals have funds in this country estimated at upward of $9 billion. On the outbreak of war such funds would undoubtedly be conscripted by their home governments. To the extent that they are represented by bank deposits no particular problem would arise. But a very considerable fraction of this total is represented by American securities which would have to be turned into cash. Although there should be no necessity to sell everything

immediately, the existence of such a huge block of stocks and bonds overhanging the market would have the most detrimental effects. It is therefore satisfactory to know that government agencies and investment concerns are cooperating in the preparation of advance plans to meet this situation should it arise. One proposal is the formation of a liquidating investment trust, largely financed by RFC loans, which would take over the securities conscripted by foreign governments. Of course such a scheme would indirectly place government credit at the disposal of belligerents, making the elaborate legislative provisions to deny all financial assistance look extremely silly. Yet clearly the alternative course—to refuse all aid and compel a forced sale of foreign-owned securities—would mean a dislocation of markets to the infinite damage of our own economy.

*

THE BARTER SCHEME UNDER DISCUSSION in Washington, by which surplus farm commodities would be exchanged for industrial raw materials, is another example of the emergency planning which the present international tension makes a wise precaution. As Eliot Janeway recently pointed out in *The Nation,* a war between the axis powers and the democracies might well interrupt shipments of rubber and tin from the Far East even though we ourselves remained neutral. Consequently a large stock-pile of these essential raw materials has much to commend it. Equally, reserves of wheat and cotton should prove a valuable advantage to Britain and France. It must be recognized, however, that there are difficulties in the way of a consummation of this plan. Our surplus cotton and wheat are closely controlled by the government and are available for immediate shipment. There is no comparable surplus of rubber and tin, which are both monopolized by private international cartels clothed with coercive authority by the governments of the countries involved. These cartels have maintained prices and forced curtailment of output by means of strictly applied sales quotas. Production probably could be raised fairly rapidly to permit the building up of an American reserve, but the cartels, which are probably looking forward to war-time profits, might prove reluctant to fall in with the scheme. If, as a result, government pressure became necessary, agreement would first have to be reached among the British, French, and Dutch governments, and in the case of tin the consent of Belgium and Siam might also prove essential. Despite such difficulties the barter scheme, if regarded as an exceptional measure for exceptional times, is worth pursuing.

*

A COAL SHORTAGE THREATENS IN THE WAKE of the continued deadlock between the coal operators and the United Mine Workers. Behind this deadlock is the determination of the A. F. of L. to build up the Progressive Miners as a formidable rival of Lewis's U. M. W. A., nucleus of the C. I. O. The U. M. W. A. is willing to extend the wage-and-hour provisions of the contract which expired April 1, provided the operators either give up the "penalty clause" in that contract or grant a certain kind of closed shop. Operators would be free to hire whomever they wished, but all employees would automatically become members of the U. M. W. A. The "penalty clause" provides for fines whenever there is an unauthorized strike or lockout, but the employer is the judge of whether an infraction has occurred. The heads of the U. M. W. A. fear that operators may use the "penalty clause" to foment trouble in the union by provoking strikes and imposing fines. Dissatisfied members would then be recruited by the Progressive Miners. Secretary of Labor Perkins charged on April 9 that certain large manufacturers and utility companies were bringing pressure on the operators not to grant the U. M. W. A.'s demands. The A. F. of L. is helping out with the slogan, "Keep John L. Lewis Busy on His Home Front."

*

THE RED-BAITER AND THE ALIEN-BAITER suffered a serious defeat in the refusal of the United States Supreme Court to permit the deportation of Joseph Strecker because he was once a member of the Communist Party. Justice Roberts, speaking for the majority, does not go as far as Judge Hutcheson did in the Circuit Court of Appeals. The latter held that membership in the Communist Party was not of itself sufficient grounds for deportation. Justice Roberts declined to reverse Judge Hutcheson's ruling but at the same time rested the Supreme Court's decision on the narrower ground that Strecker was no longer a member of the party at the time of his arrest. The Supreme Court found it unnecessary to pass on the broader question of whether an alien actually a member at the time of his arrest would be deportable. One may not unreasonably suspect that the decision was based on the narrower ground because the majority itself is at odds on whether membership in the Communist Party (the statute does not mention it by name) is conclusive evidence of advocating the overthrow of government by force and violence. Justices Butler and McReynolds dissented. The decision has an obvious bearing on the long campaign to deport Harry Bridges. We suspect that the Strecker ruling will not increase the popularity of the Supreme Court with Pacific Coast shipping interests.

*

NO MEASURE BROUGHT BEFORE CONGRESS this session outranks in importance the Byrnes bill, which is to be voted on in the Senate this week. This bill is the first legislative proposal making a real attempt to coordinate the various New Deal agencies dealing with

social security and relief. It would establish a new Department of Public Works which would combine the present activities of the PWA, WPA, CCC, and NYA under a single head. It would also attempt to reduce the relief load as much as possible by broadening the categories receiving regularized assistance under the Social Security Act. In this the Byrnes bill follows rather closely the recommendations of the Social Security Board and improves upon them in certain respects. It would liberalize the benefits paid the aged, unemployed, dependent children, and the blind, and create a new federal-state plan for aiding the disabled. Although generally progressive, the bill ignores many of the more constructive points raised in the earlier report of the Byrnes committee. The proposed Department of Public Works, for instance, is not coordinated in any way with the unemployment-insurance program. No direct aid is offered the states to enable them to carry relief loads which experience has shown cannot be maintained on local funds. Although the proposed minimum of $5 a week for unemployment insurance will raise benefits slightly, the suggested maximum of $15 remains below relief standards for a large family in many communities. No attempt is made to correct the anomaly whereby benefits are related to prior earnings rather than family obligations. Far too much dependence is still placed on state financial aid in each of the public-assistance programs. Yet with all its shortcomings the bill deserves support. It represents a step in the right direction.

✶

MORE THAN ONE MILLION UNEMPLOYED workers in the United States and its territories face the loss of $10,000,000 a week in jobless benefits during May and June unless Congress takes immediate action to provide additional funds to cover administration expenses. The situation is an anomalous one. None of the states have an actual shortage of funds in their unemployment-insurance accounts. On December 31, 1938, there was over a billion dollars in the federal treasury earmarked for state unemployment benefits. The fund has increased since that date despite the existing high rate of unemployment. But the Social Security Act provides a ceiling of $49,000,000 for administrative expenses, this money to be provided by the federal government, and not by the states. According to estimates of the Social Security Board, this year's allotment will be completely exhausted by April 30, leaving the states with unemployment funds but no money to administer them. Since the federal government collects from $100,000,000 to $125,000,000 annually from the tax which it imposes to cover the administrative expenses of unemployment insurance, it cannot very well refuse to provide for these expenses. But haste is needed if the jobless are not to suffer from Congressional inefficiency.

BOTH CHINA AND JAPAN HAVE REPORTED successes in a series of offensives and counter-offensives in the past fortnight. China, however, appears to have made the greater gains. Three Japanese-controlled railroads have been cut, and Chinese troops are once more reported on the outskirts of Canton. For the first time during the war the Chinese are displaying capacity for a sustained offensive. In these drives Chiang Kai-shek's crack troops have copied, with considerable success, the mobile tactics long utilized by the Eighth Route Army. We are also seeing for the first time evidence of coordination between the Chinese armies in different sections of the country. Despite an almost complete lack of railroad and motor transportation near the front and the even greater difficulties encountered in operating behind the Japanese lines, the Chinese staff work is incomparably better than in the early months of the war. To add to Japan's troubles, the expected crack in Chinese morale in the occupied areas has not materialized. Japan has not yet succeeded in finding a well-known Chinese to head its long-projected unified puppet government. The long series of attacks on the renegade Chinese participating in the Japanese-sponsored governments culminated last week in the killing of four members of the "Pacification Commission" at Kaifeng and the wounding of the chairman of the "Peace Maintenance Committee" at Hankow. Meanwhile Tokyo, pursuing its policy of grabbing territory strategic to the trade and empire routes of the Western powers, has annexed not only the Spratly Islands but an entire group of reefs and islands, stretching over some three hundred miles, in the South China Sea.

✶

NEWSPAPER PUBLISHERS INTERMITTENTLY profess an altruistic concern for their newsboys; it has just blossomed forth again with the usual deadly results. This time the publishers have won exemption for boys under sixteen from the child-labor restrictions of the Wages and Hours Law. The inarticulate partners in this beautiful friendship may therefore continue to sell newspapers; and if the publishers can manage it, newsboys will also soon be exempt from the danger of a living wage as provided by the main provisions of the law. Technically it is difficult to see how the Department of Labor could have ruled otherwise in view of the publishers' resistance. The status of a newsboy is ambiguous. It is not clearly subject to federal legislation, as the present statute is written. But the issue is basically a moral one, as the publishers privately understand. If it weren't, Elisha Hanson, counsel for the A. N. P. A., would not be compelled to indulge in such embarrassing rhetoric to justify his clients' stand. Whenever skepticism has become acute, he has read off the roster of great men who sold newspapers in their youth. The current ruling emphasizes the need for supplementary state legislation,

for some of the most desolate areas of industrial exploitation—of which the newsboys are an instance—may prove to be outside the scope of federal laws. As for the notion that child labor makes famous men, Warden Lawes of Sing Sing estimated not long ago that 69 per cent of his guests used to be newsboys.

*

MAJOR GENERAL GEORGE VAN HORN MOSELEY is a disgruntled retired army officer looking for a horse. He is obviously making a bid for leadership among the 800-odd fascist groups at work in this country, and since he has access to the platforms of such "respectable" and wealthy groups as the New York Board of Trade, the shirt organizations may be expected to cultivate him. He recently was allowed to speak his piece at a national-defense meeting in Philadelphia sponsored by some seventy patriotic groups. (The Pennsylvania state commandant of the American Legion has since called upon these groups to repudiate the General, but the poison had already been released.) Here are sample excerpts:

> . . . the finest type of Americanism can breed under their [the Nazis'] protection. . . .
>
> How then can we lick communism? First, by exterminating . . . all traces of the New Deal, the principal backers of communism. But that is not all. We must go to battle against the Communists themselves. . . . A plan can be adopted and an attack made with every hope of success.

Major General George Tin Horn Moseley may not be important in his own right, but he marks the spot where the fascist backwash is gathering.

Roosevelt, Peace-Monger

BY FREDA KIRCHWEY

SINCE Saturday the President of the United States has stepped out as the world's leading peace-monger. His appeal to Hitler and Mussolini was bold and generous and honest, it was brilliantly timed to take advantage of an interval of relative inaction in Europe, and it voiced the passionate desire for peace of every sane man and woman in the world—in Germany and Italy quite as much as in other countries.

But what practical good can it do? Although the dictators have not yet spoken officially, their press has rejected the plea with all the vituperative contempt at their command. This was inevitable. No one, least of all Mr. Roosevelt, could have expected a prompt and amiable acceptance. Before I had finished reading his message, my mind had already begun to compose the dictators' answer; I had even framed the words: "He sent it to the wrong address." (It is not difficult to employ the fascist lingo; the dictators work their phrases hard and one grows used to them.) The President's note will not of itself stop Hitler and Mussolini. Then what good will it do?

The appeal must be judged in its context—in the context of his previous statements and of the world situation. For this was not a new warning, nor did it deal with a new crisis. Throughout recent weeks the President has followed a straight and consistent course: He has acknowledged the overwhelming danger of general war and has expressed the profound interest of the United States both in the preservation of peace and in the preservation of the non-fascist nations. He has, to make the issue concrete, warned the axis powers that in case of war the United States would in all probability sell arms and other supplies to Britain and France and their allies. He has warned them not to plan their moves in the light of the Neutrality Act as it now stands. In his address to the Pan-American Union he went farther. There he stated the determination of the United States, in concert with the other nations of the Western Hemisphere, to prevent any intrusion by Nazi-Fascist institutions or armed forces. Perhaps he leaned a little too heavily on the spirit of Lima, which was somewhat less than a whole-hearted defiance of the dictators; but even granting that, the President's words probably expressed the sentiment of the hemisphere. Although the countries to the south of us may differ as to the proper methods of pan-American cooperation, they are united on the major issue: they want no fascist penetration of either continent.

The appeal of Saturday was a logical climax to this series of warnings and to my mind it has already accomplished important results. It has imposed upon the dictators the unhappy task of finding a way to reject peace, to refuse even a ten-year moratorium on aggression. It has expressed in a voice loud enough to be heard even inside the walls of Germany and Italy the longing of the peoples for peace and the direct responsibility of the fascist states for any war that may come. It will force Hitler and Mussolini to say in effect, no matter what formula of evasion they may employ: "We cannot rule out aggression, for we want territory that belongs to other nations and that probably will not be handed over peaceably."

This may sound like rather a sorry triumph. To dispel illusions is at best a negative cause for satisfaction. But it is not an insignificant one. A chief source of the fascists' strength has been the inability of many people—including many statesmen—to credit their relentless purpose to get what they want at any cost to the world. By rejecting the President's note the dictators would wipe out many a sneaking hope that peace may still be secured by purchase or appeal. So a back-handed effect of the message should be to stiffen the spines of wavering elements in the non-fascist countries. Perhaps this will be its most important effect.

The reception of the plea by the fascist press was a

foregone conclusion. The response of some of the non-fascist governments was surprisingly warm and quick. Not only the major European powers that stand to gain in case of war by American support, but the Americas as well hurried to indorse the position taken by the President. And this is doubly significant, for it both reinforces the effect of the appeal itself and helps to justify Mr. Roosevelt's claim of pan-American solidarity.

In only one country outside Germany and Italy were suspicion and dissent freely voiced. That country was the United States. Some of the attacks on the President's note were honest, expressing the fears of genuine pacifists and isolationists. More of them sounded strictly political. Opposition Senators and Representatives competed with the press of the fascist states in denouncing the President as a meddler and war-monger. I suppose this was to be expected. These days, politicians operate almost exclusively in the shadow of 1940 and are likely to view even a desperate international crisis as an aid or an impediment to a third term for F. D. R. But it is distressing, none the less. These family feuds are never understood in foreign countries, and they are apt to mislead opinion abroad. For the fact is that, on this question, the American people are overwhelmingly behind the President. They may distrust Chamberlain, they may dislike England, and they certainly do not want to go to war. But they believe, with the President, that the best way not to go to war is to stop it before it starts, and that the only way to stop it is to stop Hitler and Mussolini. That is what the American people believe. The polls show it, and the daily experience of all of us confirms it. Luckily Mr. Roosevelt's voice is louder than Senator Reynolds's, and it is echoed by an impressive proportion of the newspapers, even those opposed to the Administration's domestic policies.

On the European Front

THE past week has been another period of intense diplomatic and military activity in Europe but one in which the major initiatives have been taken by the democratic front. Britain and France have added guaranties to Rumania and Greece to their commitment to Poland, and negotiations with Russia and Turkey are being hastened. Poland remains mobilized but according to the latest reports is discussing the question of Danzig in Berlin. A powerful Anglo-French fleet has been concentrated in the Mediterranean, and vulnerable places in the British and French empires are being reinforced. The other camp has also been stirring. An impressive German naval squadron has been dispatched on "a spring cruise" off the Spanish coast, and there has been a stream of reports of military concentrations first on one frontier and then on another—movements designed, perhaps, mainly for propaganda effects. Meanwhile Italy, although repudiating all thought of aggression against Greece and Yugoslavia, has continued to pour its troops into Albania and the Dodecanese Islands. Franco too has taken a hand by moving large numbers of his warriors to the south of Spain and to Spanish Morocco, thus threatening Gibraltar on two sides. This aggressive gesture seems at last to have convinced the democracies that Franco is actually a part of the fascist bloc. The French have countered by taking several hundred Loyalist soldiers, quartered in France, into the Foreign Legion—a move that serves to underline the idiocy of the French treatment of those soldiers since they crossed the frontier two months ago.

Alarming as European developments are, they do not necessarily portend an early explosion, and when the history of these times comes to be written, they may seem insignificant compared with the most sensational event of the week—the President's message to the dictators. The furious attacks upon it in the fascist press are a measure of the chagrin it has aroused in Hitler and Mussolini. They are well aware of the risk they will run with public opinion at home by a decision to reject outright this call to peace. The masses of Germans and Italians have for some time manifested a diminishing appetite for glory and an increasing reluctance to purchase it through war. Even so great a bloodless victory as the annexation of Czechoslovakia failed to stir the enthusiasm of Germans.

Hitler, it must be realized, has long been engaged in a war against the West. It has taken the form of a series of strategic moves on a continental scale designed to isolate one objective at a time and to concentrate such force against it that victory could be achieved either without bloodshed or at least without provoking general war. He recognized quite correctly the immense willingness of his chief opponents to shut their eyes to the long-range significance of his campaigns, and he assisted their desires by copiously supplying diplomatic opiates. In the crises over Spain, Austria, and Czechoslovakia a bland mixture of threats and promises served to immobilize the West. His first serious error in calculation was in March. In planning his annexation of the rump of Czechoslovakia he estimated fairly correctly the reaction of Mr. Chamberlain, but he did not allow for the reaction of the British people or for the electrical effect of the latter on the British government. From that moment the war he had been waging so successfully took on a different character. For his opponents at last realized that it *was* a war and started to deploy their forces and attempt to meet his strategic moves with counter-moves.

As a result, the risks that disguised and bloodless war may be transformed into open and violent conflict have been both enhanced and diminished. They have been enhanced because the scope for action of the axis powers is now definitely circumscribed. The barriers to the east may still look a little flimsy, pending the concrete backing

which it is hoped Russia will supply, but they stand. Should Hitler and Mussolini attempt to push through, they will be inviting war unless they can persuade the countries behind that the axis forces are so overwhelming and the anti-axis alliance so weak that it is better to accept "protection" and like it than to risk annihilation.

But with the anti-fascist front extending rapidly and energetically, and with the imponderables of American action looming larger, the chances of successful intimidation grow less. And the necessity for careful dictatorial calculations of risks increases. They must ask: Can we be certain of swift victory? If not, are we able to wage a war of indefinite duration? How will our peoples react? Are they morally prepared to stand unlimited sacrifices? These are dangerous and difficult questions, to which dictators cannot afford to give the wrong answers.

The Labor Board Battle

WE HOPE Senator Wagner's proposal that the Labor Board permit employers to petition for an election in jurisdictional disputes will serve to draw off some of the steam from the well-stoked campaign against the Wagner Act. No change in the law is required, for the present practice is based not on a provision of the statute but on a ruling of the board. The board itself has declared its readiness to study the feasibility of granting the right "subject to specific safeguards." Safeguards are obviously necessary, for a jurisdictional dispute between an "independent" union and a bona fide union or even between an A. F. of L. and a C. I. O. union can often be arranged by the clever employer, and an election could be asked for at the moment most favorable to the union preferred. It is unfortunately true, however, that continued rivalry between A. F. of L. and C. I. O. and such splits as that within the U. A. W. A. have created a genuine problem even for the well-intentioned employer.

But one cannot believe that the proposed change will do more than whet the appetite of the forces behind the attack on the act. The National Association of Manufacturers is not interested in correcting the act's defects, real or imaginary. If it has its way, it will keep on "amending" until nothing is left of the original statute. The association's allies, the top leadership of the A. F. of L., are too blinded by hatred of the C. I. O. to act with moderation. They are more likely to be encouraged than mollified by Senator Wagner's hint that he preserves an open mind on the A. F. of L.-Walsh amendments which would take from the board its right to determine the appropriate bargaining unit and its power to invalidate union contracts tainted with company unionism. The board's willingness to make concessions on these points will be taken as a sign of weakness. No one can read Senator Wagner's impressive and detailed defense of the law, or the board's own comprehensive report to the Senate Committee on Labor and Education without feeling that the fight against the Wagner Act is neither informed nor sincere. But few will have the opportunity to read either document, and the compromises offered are likely to make a greater impression than the statistics marshaled in the board's favor.

The position of the A. F. of L. leadership is far from clear. In an editorial, Labor's Fifth Column, in its issue of February 4, *The Nation* pointed out that the Walsh amendments, supported by the A. F. of L., went far beyond anything ever authorized by its Executive Council, much less by its membership. On February 10, in what Louis Stark described as a "surprise move," the Executive Council decided that if the present Labor Board were abolished the only changes necessary in the law itself would be the two original A. F. of L. proposals on the collective-bargaining unit and the invalidation of contracts tainted with company unionism. The other Walsh amendments, containing provisions fully as harmful to labor as the more obvious proposals of Senator Burke, were to be abandoned. They continue nevertheless to receive the support of the A. F. of L. leadership. Was the February 10 decision merely a maneuver?

In our opinion even the two original A. F. of L. proposals are bad; it should be noted that the leaders have never dared discuss them candidly with the rank and file. It happens that the rule applied by the NLRB in cases involving disputes over the proper bargaining unit is more favorable to the craft than to the industrial union. It also happens that the A. F. of L. has won more decisions in disputes over the bargaining unit than has the C. I. O. Examination of the cases shows, furthermore, that often it is an A. F. of L. group which calls for an industrial rather than a craft unit in collective bargaining. To freeze the craft unit in collective bargaining no matter what the conditions of the industry or the wishes of a majority is undemocratic in theory. In practice it is likely to increase the jurisdictional squabbling that the would-be amenders of the act say they wish to avoid. As for the power to invalidate contracts brought about by unfair labor practices, we wonder whether the A. F. of L. rank and file know that this was first used in response to complaints brought by the A. F. of L. against "independent" unions. It has more recently been applied against A. F. of L. unions—and once against a C. I. O. union—whose contracts were obtained by company-union methods, often by taking over company unions. To revoke the board's power to invalidate contracts of this kind would be to bring back the company union under a new name and to encourage rival union leaders to bid against each other for the favor of employers. The Wagner Act was supposed to encourage collective bargaining, not trade-union prostitution.

Foreign Policy and 1940

BY KENNETH G. CRAWFORD

Washington, April 17

WE HAVE been assured by the political doctors that the Roosevelt wing of the Democratic Party lost its power in 1937 when court reform miscarried, and atrophied in 1938 when the purge failed. Some of the diagnosticians have not yet discovered that it started regaining its old vigor in 1939 when Mussolini and Hitler went to work for the President. Developments abroad since Munich and Roosevelt's course of action with respect to them are reestablishing his prestige at home, augmenting his personal popularity, and making him his party's most logical 1940 candidate.

Courtesy l'Humanité

It was no accident that his speech to the Pan-American Union calling upon the nations of this continent to stand together against aggression, and his address at Mount Vernon recalling that Washington submerged his personal wishes in accepting the Presidency were delivered on the same day. The Mount Vernon parable might have meant anything or nothing, but Roosevelt of course knew what the interpretation would be. Nor was it happenstance that Mayor Kelly of Chicago left the White House the next day talking about Roosevelt for a third term.

The President's strong, often audacious, foreign policy is already the paramount political issue, and by the time of the conventions, unless all signs fail, it will be the only issue. Whether Roosevelt runs on it himself or makes way for someone else, it will give him a hold on the convention and a chance to beat the Republican candidate despite the reaction from New Deal reform. That he means to play it this way is now obvious. To what extent he is motivated by a desire to use American prestige and economic power for the preservation of world peace, and to what extent by anxiety to keep liberalism in the saddle at home, is anyone's guess. The two objectives dovetail nicely.

Regardless of the merits of his hands-across-the-sea policy, it must be conceded that the President has pursued it with sure-footed determination and astute timing. It must be granted, too, that it has won ever-increasing acceptance. Republican headquarters strategists tossed their hats in the air when Roosevelt told a Warm Springs crowd he would be back "unless we have a war" and followed this up by adopting as his own a Washington *Post* editorial declaring that this country could not escape the consequences of another European war. This, they declared, was war-mongering and the country would not take it. He had gone too far. Congressional mail and small-town newspaper editorials indicated they were right.

Then came the proposal of a ten-year moratorium on war and a peace conference. That gesture, futile as it seemed so far as any effect on the axis powers was concerned, was an answer and a good one to those who insisted that the President was hell-bent for war. It again shifted the emphasis to peace. Even some of the President's harshest critics in Congress felt constrained to say something pleasant or nothing at all. There were only a few snarls. Hiram Johnson, who doesn't have to run again for a long time, having won reelection with the help of Roosevelt, could afford to call the whole thing a publicity stunt. He led a noisy but small minority.

The peace proposal was a domestic success. This does not imply that it was intended solely for domestic consumption, however. There were intimations that the President knew much more than he was free to say at his Saturday press conference explaining the Hitler message. Vague reports had it that the Germans were about to strike again, perhaps at the Netherlands, while the Japanese moved simultaneously against the Dutch East Indies. The sudden decision to move the fleet back to the Pacific lent color to these intimations. The Presi-

dent's note, it was whispered, was designed to delay if not to stop this next adventure of Hitler's in territorial expansion.

Whatever secret information, if any, lay behind the note to Hitler, the growing disposition of the American public to trust the President to conduct foreign affairs was evident from its reception. Another piece of ground was cut from under the extreme isolationists in Congress, who have contended that the President is so emotionally wrapped up in the cause of the European democracies that he has lost sight of the peace objective. They have deliberately ignored the distinction between a cooperative effort to keep the peace and willingness to plunge the United States into war on the side of the peacemakers.

The President has always conceived of his policy of cooperation as a peace policy. In private conversations he has recalled that Wilson, in 1914, was an ardent neutral. By taking sides in the ante-bellum maneuvers, Roosevelt hopes to prevent war in the first instance. If war comes in spite of efforts to avert it, it is not impossible that he will then shift over to a policy of isolationism. No matter what comes, the country need not fear that Franklin Roosevelt will lose his balance. No more cold-blooded calculator has ever occupied the White House, as his political adversaries at home are beginning to learn.

Partly because of his notorious and almost unbelievable ignorance about foreign affairs, Garner's Presidential candidacy has about burned out. Even his closest friends are giving up the ghost. They are very bitter. They claim that Tommy Corcoran and the New Dealers have systematically undermined the Vice-President's campaign by spreading the canard that he drinks. A story by Fred Pasley of the New York *Daily News* recounting Garner's welcome with three fingers of whiskey and a series of "Here's hows" was particularly resented. The Garner managers reason that, since Harding, the voters are unreceptive to the idea of a drinker in the White House, however well he carries it.

The most important thing about to take place in Washington is Attorney General Frank Murphy's clean-up of the federal bench. Six or seven more federal judges will shortly resign under circumstances similar to those surrounding the step-down of Judges Manton of New York and Thomas of Connecticut. Two are from New York, one from Chicago, one from Philadelphia, and at least one from the Far West.

The End of Hitler's Money Miracles

BY ADOLF STURMTHAL

ON MARCH 24 last a new era in Germany's financial policy was announced. On this day Walther Funk, the new president of the Reichsbank, enacted the "law regarding the financing of the Reich's national political tasks." Dr. Schacht had been dismissed a few weeks before because he refused to go farther on the road leading toward inflation. Under Schacht the capital market had been monopolized by the government, and yet short-term manipulations, a thinly veiled form of inflation, had been necessary to satisfy the growing demands of rearmament and of the four-year self-sufficiency plan. Funk was to give private industries access to the capital market and thus deprive the Reich of part of its financial resources, while at the same time putting an end to unsound short-term financing, another main source of income. His new decree shows how he intends to achieve the impossible.

German rearmament and autarchy plans are financed out of three main sources: regular income, such as taxes, duties, and so forth, amounting to 67 billion marks in six years of Hitler government; long- and middle-term loans, which have drained practically all available capital out of the market and have yielded 17 billion marks; and short-term credit manipulations, whose yield is one of the most carefully guarded state secrets. Financially, the first two methods are sound, whatever may be the economic and social consequences of their use for armaments and self-sufficiency. Short-term financing of capital expenditure, however, if driven beyond a certain point, may lead to inflation. In the spring of 1938 Schacht considered that the time had come to set an end to reckless spending and short-term financing. He succeeded in obtaining the government's consent to a new financial policy whereby the further issue of short-term bills was to be limited to 500 million marks a month for the period from April to November, 1938. After November all government expenditure was to be covered by regular income from taxation or by long-term loans.

Germany's military adventures in 1938 destroyed Schacht's plan. In September, while the mobilization against Czechoslovakia was under way, the *Frankfurter Zeitung* had to admit that new short-term financing beyond the limits set by Schacht had become necessary to cover the enormous expense of the mobilization. In addi-

tion, the government made use of the printing press. Monetary circulation in 1938 rose by 2.7 billion marks, only 1.1 billion of which was used to exchange Austrian schillings and Sudeten German crowns against marks. The rest, 1.6 billion marks, was additional Reich income, inflationary in character since monetary circulation rose considerably more than industrial production. Nevertheless, at the end of 1938 the financial situation was so desperate that many Reich authorities, particularly the military, were unable to pay their current obligations and issued "acknowledgment certificates" which were used instead of cash, thus evading the Finance Ministry's control. The total of these certificates has been estimated unofficially at about one billion marks. This practice was declared illegal some weeks ago, and issuers of certificates were made subject to arrest.

Dr. Funk's new plan, however, is but the legalization of this procedure. The government and its agencies are now authorized to pay up to 40 per cent of their obligations in so-called "non-interest-bearing tax certificates" which can be used for tax payment seven or in some cases thirty-seven months after their issuance, with a certain bonus for their holders. Put differently this means that entrepreneurs working for the government or its agencies will have to grant forced loans to the Reich up to 40 per cent of the amount of their bills, and that interest will be paid on these loans in the veiled form of tax bonuses. Dr. Funk's miraculous achievement thus consists in superseding short-term manipulations and "acknowledgment certificates" by forced short-term loans and "tax certificates."

As for making the capital market accessible to private industries, an article in *Deutscher Volkswirt,* Schacht's personal mouthpiece, gives the new trick away by protesting "against the idea of using private firms as a screen for the Reich's financial needs." Funk's plan seems to consist in opening the capital market to the government-controlled, four-year-plan industries instead of directly to the government, as was the case until now. The outward appearance of the investment market would thus be normalized, but financially and economically the capital market would remain monopolized and used for rearmament and the carrying out of the four-year plan. The new departure amounts to a mere change in names. Nevertheless, Funk's new plan is another example of the old rule that even the most serious financial problem can be solved by a powerful dictatorship. If voluntary loans appear to be no longer forthcoming in sufficient amounts, a dictatorship can always have recourse to forced loans.

Far more serious than the financial worries of the Reich are its economic problems. Hitler's concentration on armaments was enormously facilitated by the peculiar economic situation of the Reich in 1933, after four years of unexampled deflation. More than five million unemployed and a vast amount of unused industrial capacity were at his disposal. The credit expansion and public spending that were started early in 1933 served at first to alleviate the unemployment crisis. In 1934, however, the dictatorship discovered that it could use the huge potential economic force embodied in unemployed labor and unused plant capacity for rearming Germany. Credit expansion and public expenditure, from being a means, now became an end in themselves. By stabilizing nominal wages at their depression level and preventing their normal rise during the upswing, Hitler obtained a vast fund which financed rearmament. In 1935 the German armament boom got under way, and by 1938 full employment was achieved. This is, however, an armament boom, and its economic and social consequences differ essentially from those of any other boom.

Dr. Schacht

According to Nazi figures, national income has risen again to 76 billion marks, the same figure as in 1929, the peak of the previous wave of prosperity. Unemployment in the old Reich—excluding Austria and Czechoslovakia—has been superseded by the pressing need for additional labor. Nominal wages, however, stand at the depression level of 1933. The average wage for skilled labor was 79 pfennigs per hour in December, 1938, compared with 101.1 pfennigs in 1929 (official figures). Wages and salaries represent only 54.6 per cent of the national income, compared with 57.5 per cent in 1929. These low nominal wages are reduced considerably further by heavy taxation, "voluntary" contributions, social-insurance contributions, and so forth. The size of these deductions from the workers' income can be inferred from the fact that taxes, social-insurance contributions, fees for the Labor Front, and Winter Relief donations totaled 36 billion marks in 1938, not less than 47.1 per cent of the entire national income.

The official cost-of-living index has been amazingly stable since 1933, for it fails to take into account not only changes in the quality of goods but also the high "unofficial" prices paid for scarce goods unobtainable at the rates artificially fixed by the authorities. A conservative estimate of the actual rise in living costs is 10 to 15 per cent. Real wages are thus considerably smaller than in 1933. While the five million unemployed of 1933 are today employed and therefore better off, the thirteen million workers who had jobs when Hitler came to power have suffered a substantial loss in real income and had no share in the apparent prosperity. This loss is the most important source, although not the only one, out of

which the staggering costs of German rearmament have been paid.

Another source is the reckless wear and tear on existing plant. Here are a few instances chosen at random among many Nazi reports. The railway system is reported to be badly in need of repairs and equipment costing "not far from 10 billion marks," but only 750 million, 7.5 per cent of the amount needed, is provided for in the current fiscal year. Traffic is far greater than in 1929, but the number of railway cars has declined by more than 10 per cent, and "tensions in traffic," as the Reichs-Kredit-Gesellschaft politely puts it, have become the rule. In the machine industry, a report in the *Frankfurter Zeitung* admits, it would need half a year's production of the entire industry to make up for the lack of repair and renovation during the last years.

A cause of particular Nazi pride is the program for cheap automobiles. The Paris edition of the New York *Herald Tribune* said in a paroxysm of admiration: "When every German family . . . will have its own automobile, thanks to the enterprise of the Nazi government, it is conceivable that even the most democratic in the democratic countries will find it hard to resist the doubt whether liberty is the only boon to be desired in the world." But when? In Germany one out of every forty-four persons owns a car. This contrasts with "putrefying" democratic France, where one out of every nineteen persons has a car, and, more strikingly, with the United States, where the ratio is one to four. The number of licenses for passenger cars issued in Germany during the fiscal year ending July, 1938, was barely 4,749 above that of the preceding year. The famous people's car is not due before 1940, but in the meantime the German workers are being heavily taxed for it. Since August, 1938, thousands of workers have been compelled to pay five marks a week in advance for cars which they may get in two or three years' time at best. The crisis in the automobile industry is so serious that Colonel Schell has been appointed to reorganize it. His plan, "dictated primarily by military considerations," has created fear that exports will be affected, since models in future "will be developed primarily from a military angle." This, of course, is the real background of the Nazi drive for cheap cars. In case of mobilization private cars will be taken over by the military, as happened last summer, and German workers again will find that they have paid for the motorization of the army.

It was not purely accidental that Dr. Schacht chose spring, 1938, as the moment to force a change in financial methods upon the recalcitrant political leaders. Until then it had been possible to achieve progress in rearmament by bringing further masses of unemployed and additional unused industrial capacity into play. Credit expansion served to mobilize them economically. In the spring of 1938 this came to an end. Unemployment was wiped out. Industrial production had reached a level higher than in 1929. From this point on any further credit expansion became "not only senseless," to use Doctor Schacht's own words, "but injurious, because the newly created money cannot induce new production of goods but only competition for existing labor and raw materials." In other words, further credit expansion would be purely inflationary.

In spite of Schacht's warning, credit expansion continued. Full employment developed into what the Nazis call "stretched full employment." Since there were no unemployed left, foreign workers were imported. Germany, claiming to be an "overcrowded country," a "people without space," introduced more than 120,000 Italian and Polish workers in 1938 and recalled German housemaids from abroad. In December the working day was extended to ten hours generally and to twelve hours and more in so-called "politically important" branches, that is, armaments, building, agriculture, and transportation. Once in three weeks sixteen hours of work a day may be required; for the remainder of the time the only limitation is that a rest period of ten hours must be provided. The laws for the protection of youth have been abolished. Even children of less than fourteen years of age are now permitted to work up to five hours a day. Old-age pensioners have been recalled.

Full employment may be stretched a little farther and the use of the important Czechoslovak armament factories may give Nazi rearmament a new lease on life, but nothing can upset the basic fact that in future every acceleration of armament, every extension of self-sufficiency can only be obtained at the expense of current consumption. The "miracle" of German rearmament, apparently realized out of nothing, has come to an end. There are no unused resources left, and thus cutting down present consumption is the only way left to set free labor, plant, and raw materials for the production of armaments or for furthering self-sufficiency. From now on, each new measure by which Germany will try to hold its own in the armaments race which it has started will make itself felt immediately in a further lowering of the standard of living of the German people. Each new conquest, forcing Germany's potential enemies to new defense efforts and causing a spurt in its own armament production, is bound to be accompanied by a decline in German supplies of consumption goods, a decline not offset by the benefits drawn from the exploitation of new lands.

Observers agree that, after having welcomed the Austrian Anschluss, Germans failed to show enthusiasm for the conquest of the Sudetenland. Experience had proved to them that, far from solving Germany's economic difficulties, the Nazi policy of conquest only makes the country economically poorer.

Living Philosophies

XIII. HARMONY IN CONFLICT

BY HAVELOCK ELLIS

LIKE many others of my generation I was brought up in a religious family, and was the eldest child and only son. My mother was not merely conventionally but genuinely religious, belonging to the Evangelical section of the Anglican church. As a girl she had been considered "volatile," but at the age of seventeen she was "converted," and that event influenced the whole of her subsequent life. Nothing disturbed her firm character, which was, however, never harsh and with increasing years became increasingly tolerant, so that she accepted without protest the varying religious tendencies of her children. My father, a sailor away from home nine months of the year, accepted my mother's religion and decorously went to church with his family every Sunday when at home, but really had no religion of his own. Familiar with many lands and at home with people of all creeds, he was indulgent to all. His own temperament, moreover, was so equable, so free from any tendency to vice or excess, that, liked by everyone, he might be said to have been scarcely in need of any religion. I mention these facts because I regard them as of essential importance. A man's philosophy can never be properly apprehended unless we know the foundations for it which he inherited from his parents.

I was mainly my mother's child, whatever tendencies I also inherited from my father. I spontaneously carried a little Testament in my pocket; I read Bunyan's "Pilgrim's Progress" all through. And in due course I underwent the church rite of "confirmation" without any sense of incongruity. But meanwhile my insatiable intellectual appetite was leading me to devour books, especially serious ones, of all kinds. In this way I was somehow induced to buy a cheap edition of Renan's "Life of Jesus." It was new to me to see Jesus treated so sympathetically and yet apart from all supernatural elements. I read the book with interest, yet critically, and I made critical comments on the margins. But Renan's attitude was more congenial to my own temperament than I at first realized. It was not long before books of more or less similar tendency became convincing, or before I definitely rejected as intellectually out of court the whole supernatural foundation of Christianity and miraculous theology in general. This did not lead to active hostility or to any sense of liberation from restraints. My life remained the same. But I was conscious of loss. The supernatural universe had melted away and I was without a spiritual home. There were moods of desolation in spite of constant and varied mental activities. This continued from my seventeenth to my nineteenth year.

Later, as a solitary teacher in the Australian bush, I was somehow stimulated to procure James Hinton's "Life in Nature." I read it, and it made no pronounced impression. But it may have touched something in my unconscious mind, for a few months later I read it again. This time it produced nothing less than a mental revolution. I still recall the details of that revolution and the day when I walked across the hills, a new being, feeling as light as air, with a new vision, as yet unformulated, of the universe. That moment has influenced the whole of my life.

What had happened to me was what is commonly called "conversion." But that process is usually misunderstood. It is not the sudden acceptance of a new religion, or a change of life, or anything to do with creeds. It is simply, as the word itself may be said to indicate, a complete psychic change, however produced; the method of production will vary according to the intellectual and emotional caliber of the person experiencing it. "Conversion" in a John Stuart Mill has little in common with conversion in a costermonger. In my own case, as I later realized, what had happened was that the two psychic spheres, intellectual and emotional, which had been divorced and in constant active or passive friction, were suddenly united in harmony. Hinton's vision of the universe, even though I could not at every point accept it and would never at any time have considered myself his disciple, presented a universal unity of life which was new to me. The world was no longer dead and repellent; there is the same life everywhere; man and "nature" are fundamentally one. Henceforth I was at home in the universe. With that realization there came a peace which passes all understanding. I never had any more moods of religious depression.

The revolution remained entirely private. I had no impulse to confide it even to intimate friends and still less to preach it to the world. Perhaps I obscurely felt that such experiences are necessarily personal, under the direction of hereditary and constitutional factors which cannot be transmitted. I regarded the experience as religious and not as philosophic, and so I still regard it.

In the years of my mentally formative period I was,

however, much concerned over philosophy. It seemed to me that one ought to have a philosophic system, and I had none. I bought philosophic books, notably Spinoza's complete works in Latin, as well as the standard history of philosophies of that time. I was a constant reader of the chief English philosophical journal, *Mind,* and I even wrote a rather lengthy article—a study of Hinton's later thought—and sent it to the editor, Professor Croom Robertson, who welcomed it in a friendly spirit, though it was from a complete stranger, and published it at once. That was in 1884, when I was twenty-five years of age. Almost immediately afterward I chanced to become personally acquainted with a genuine philosopher, one of the most remarkable men I have ever known. This was Thomas Davidson. The books he left behind are not of the first importance, nor was he, indeed, so impressive a writer as speaker. He was above all an original personality, of almost passionate philosophic temperament and that eloquence which sometimes marks the Scotch intellect in its more exalted shapes. He was an outsider in philosophy, and without academic associations, though attracted to various lines of thought, ancient and modern.

Davidson was at this time collecting around him a small band of young men whom he desired to indoctrinate with his opinions and personally lead in the formation of a sort of quasi-communistic establishment in which to carry them out. My friend Percival Chubb, afterward known as an ethical leader in the United States, was prominent among them, and by him I was introduced to Davidson and induced to join the little group who listened to his eloquent speech. Davidson told me later he had been especially drawn to me, and it was therefore a grievous disappointment for him, after he had expounded his doctrines during a long evening, to find next day that though I had seemed to drink in his eloquence, I had really remained unmoved. Davidson was so disgusted at my failure to respond as he desired that a little later in a letter from Rome he broke off relations with me. At a later period, however, when there was no longer any question of my becoming a disciple, occasional friendly relations were resumed.

The outcome of this episode doubtless seemed to Davidson entirely negative. But it was far from being negative for me, or I should not have felt called upon to introduce it here. It had a very positive result, though one that would have been by no means pleasing to Davidson. It convinced me that philosophy is a purely personal matter. A genuine philosopher's credo is the outcome of a single complex personality; it cannot be transferred. No two persons, if sincere, can have the same philosophy.

I made this discovery for myself, but a few years later, when I began to study Nietzsche, I found that he had vaguely suggested a similar viewpoint. In my essay on Nietzsche in 1896 I clearly set forth my attitude:

> It is as undignified to think another man's philosophy as to wear another man's cast-off clothes. . . . Let Brown be a Brownite and Robinson a Robinsonian. It is not good that they should exchange their philosophies, as that either should insist on thrusting his threadbare misfits on Jones, who prefers to be metaphysically naked. When men have generally begun to realize this, the world will be a richer and an honester world and a pleasanter one as well.

Though I made the discovery for myself, nowadays of course it is quite taken for granted. It has, for instance, been recently stated clearly by Bertrand Russell: "The logical quality of the cosmos as it appears in each of the great systems is due to the fact that it is one man's cosmos." But even for Bertrand Russell this attitude seems to be recent.

It must have been shortly after the Davidson episode that I read Lange's "History of Materialism" and was thereby fortified in my attitude toward philosophy. Not only was Lange's book a notable history, fascinating and sympathetic, of the development of the materialist doctrine, but it culminated in the conclusion, for which I was now fully prepared, that metaphysics is a form of poetry. I might not, indeed, myself put it quite that way. I would draw a distinction between metaphysics and poetry. But I was willing to see the justification of a metaphysical system no longer placed on an abstract, pseudo-scientific foundation but on a personal, aesthetic foundation. I was thus prepared to view later with sympathy and admiration the metaphysical view of the world as a beautiful spectacle put forward by Jules de Gaultier, one of the most notable thinkers of our time though outside academic circles.

While I thus reached the conviction that every man who thinks should have his own philosophy, I do not seem to have shown any anxiety to acquire a philosophy for myself. As I now, long afterward, look back at this period of my life I am disposed to put this indifference down to a sound instinct. It has come to seem to me that one's philosophical attitude can only be reached by an unconscious process, that it is a spiritual growth as much beyond our control, and often beyond our consciousness, as physical growth.

Not only in philosophy are the soundest results thus reached. We are probably here faced by a general law. I am interested to see that in the recently published volume of collected essays by the late A. R. Powys, an architect with a sound and penetrating insight into the art of architecture, precisely the same principle is enunciated that I find to hold true in philosophy. Discussing the "Origin of Bad Architecture," he regards dependence on the reasoned theories of others as the source of feeble architecture. We need, he declares, first of all a digested experience. "By 'digested experience' is meant the subconscious result of experience, or in other words the

certain feeling and assured knowledge which are in a man without resort to conscious feeling or thought." This does not mean that the art product comes solely from within. Powys insisted, on the contrary, that the experience would come from without and include distinctive elements of the age in which the artist lives. But they are unconsciously absorbed and transformed; that is the significance of the term "digested experience." So far as I acquired any philosophy, it was the outcome of varied contacts with the world during long years, unconsciously assimilated and transformed into an unrealized personal credo.

It was not until later life, when I was contemplating the publication of my book "The Dance of Life"—largely made up of essays written during the immediately preceding years—that I realized that I had, without directly aiming at it, attained a philosophic attitude and even what may fairly be described as a philosophic credo. I was now sixty years of age, but as I view this matter—though I know that few professional philosophers would agree—that is quite early enough in life for a definitely conscious philosophic creed to be established. Much earlier than this, of course, it must have been slowly constituted and actively operative, but the less consciously the more genuinely. Otherwise it runs the risk of being merely artificial, adopted on grounds that were not the real outcome of personality.

In the determination of my own philosophic outlook it seems evident that there was from the very outset the instinctive impulse to embrace the elements of life harmoniously. When I discovered that there was a discordant break between the emotional religious life as I had been experiencing it and my strong intellectual aptitudes, I was profoundly unhappy. Some of my friends, when they discovered a similar break in their psychic lives, had cheerfully selected the side of intellect and poured only contempt on emotional religious demands, while in the mass of mankind, needless to say, neither intellectual nor emotional demands are strong enough to involve any conflict, and the result is an attitude of indifference rather than of serenity. It has been my experience that people of sensitive intelligence have often remarked on my "serenity." This is not the outcome of any conscious intention on my part, and I have often enough been far from conscious of any inner serenity. But I can well believe that the conquest of opposing psychic elements into a single harmonious whole naturally results in an attitude of serenity.

During the Great War I came to realize that the harmony I had attained between the two opposing elements was really only a particular application of a deep-lying tendency of my nature. This came about through my contemplation of the disputes between militarists, whether German or English, over the term "conflict," which they confused with "war." I realized that while war was undoubtedly a form of conflict, we must regard conflict as a much wider term, including forms of opposition which were not war and might be of totally different tendency. That brought the disputes between nations into line with that general tendency to opposition which is essential to life and opened out the possibility of superseding war, not in a merely negative manner, but by the fruitful necessity of the presence of opposites. Conflict is in nature, but it is a fruitful conflict in which each opposing element may have its essential value. I might have recalled the saying of Heraclitus that "conflict is the father of all things," since conflict that was violent could hardly be fatherly. I set forth the result I had reached, together with some of its wider implications, in an essay, "The Philosophy of Conflict" (ultimately embodied in a volume with the same title), which I regard as of significance in the presentation of my philosophic outlook. Those pacifists who supposed that the supersession of war by more civilized methods of adjusting national differences meant the abolition of conflict fell into an error which was fatal, it seemed to me, to a sound conception of life and the world.

Our planetary system, we are taught, must be viewed as carried on harmoniously by the action of opposing forces, centripetal and centrifugal, pulling in opposite ways. The same conflict is even clearer in the vegetable world. We see it in every seed in its vital pressure against the inclosing capsule, and every unfolding frond of fern bears witness to a similar opposition of forces. Opposition is not a hindrance to life, it is the necessary condition for the becoming of life. No doubt this realization of opposing forces in the vegetable world came to me as an early suggestion from Hinton's "Life in Nature." Now I am ever increasingly impressed by the resemblances of vegetable life to animal life. I see how closely akin are the laws that rule in both spheres. I find that the behavior of plants is what my own would be under the same conditions and with the same limitations. That the same law of conflicting forces as the necessary condition of life prevails in the animal world needs no proof, nor that it is most marked in the highest forms of life, and notably in the mammal with its expanding ovum, which only develops under the pressure of the firmly constricting womb. I reach out toward a conception of the unity of what we call the universe. What we call life really prevails throughout.

It was not until later that I realized that the vision of harmonious conflict I had attained in an entirely different direction might be seen perfectly in that sphere of sex the study of which had been my chief life work, and I made no clear statement of it until 1931. At that time, in the *Forum Philosophicum*, Professor Del-Negro put forth his view of the problem of sex as one of "antinomies" only to be resolved by compromise. Dr.

Schmidt, the editor, invited me to write a reply—which was reprinted in the Second Series of my "Views and Reviews." I was unable to accept Del-Negro's doctrine of compromise between essential elements of life. Here as elsewhere I saw the harmonious conflict of opposite tendencies, each necessary to the other and supporting it, while compromise would merely mean weakness. All the phenomena of sex seemed to illustrate this conflict, from the physical opposites of tumescence and detumescence to the erotic conflict of courtship and the social balance between sex indulgence and sex abstinence. Sex and culture are perfectly balanced. To desire freedom from this balance is to desire annihilation.

Man in his conscious arts illustrates this same conflict. Nowhere is it better revealed than in the primary art of architecture by the device of the arch. Here we see how in the conflict of two opposing forces each supports the other, and stability is insured. If the opposition ceased, the arch would collapse in ruin. In the other primordial art, more ancient even than architecture, that of dancing, we see the same harmonious conflict beautifully illustrated. Every pose of the dancer is the achievement of movement in which the maximum tension of opposing muscular actions is held in the most fluid harmonious balance.

In other arts, even if this principle is less convincingly illustrated, it is still present. In poetry there is the conflict between the centrifugal impulse of expression and the centripetal restraint of form. From an early period men drawn to poetry seem instinctively to have felt that the impulse to emotionalized expression should be held in check by an impulse to rigid form, and that only when these two opposites were combined could the result be accepted as satisfactory. When, as sometimes happens, a poet rebels against this need for the harmonious opposition and seeks to concentrate either on form or on expression, there are but few of his readers who enjoy his results.

One could, I believe, detect a similar law in other arts. The demand for the harmonious conflict of opposites rules in nature's operations, and since man is a part of nature it also rules in his operations. He disregards it at his peril and at the sacrifice of that serenity which comes of an even unconscious sense of oneness with our universe.

So much, it seems to me, may serve to indicate all that I have been able to achieve in the general attainment of a philosophic credo. Since, even to myself, it has only been a slow, gradual, and largely unconscious achievement, I have naturally made little attempt to preach it to others. But it has been clear to any sympathetic reader of my books, and to some it has been helpful in aiding them to reach their own outlook in the world.

The reward of being simple and sincere with what seem the facts of one's universe is that one sheds abroad an influence that may be incalculable. It is worth while.

Coming: the Adless Paper

BY BURT GARNETT

THE free press is confronted with a new prospect of freedom which is at once glorious, confusing, and distressing. Wires now carrying news pictures and offset presses already installed in printing plants are jointly humming a song, and newspapermen know it to be a song of social significance.

Tomorrow, if somebody wanted to go to the trouble of making the arrangements, the New York *Times* could be delivered to readers in San Francisco at the same time, by the clock, that it reaches readers in New York. The facilities are available. A photograph of an eight-column newspaper page can be sent by wire as easily as a photograph of an airplane crash. That photograph can be enlarged and reproduced with what the radio people call high fidelity. And the cost of doing it need be only a fraction of the cost of producing a page of the *Times* in New York.

Exciting and disturbing to newspapermen is this sudden realization that an entire page of news, set up in type, with banners and headlines, pictures and captions, can pass over the wires in less time than a quarter of a column of news copy can be sent, letter by letter, over the press associations' teletype machines or by Morse code. Add to this the realization that news sent in that way need not be edited, set in type, made up, made ready, or stereotyped, and your newspaperman knows that for him the revolution is at hand.

These developments come as a shock to the newspaper business because, while it has played a considerable part in developing the transmission of photographs by wire, it has not been equally aware of changes in the commercial-printing industry. Many newspapermen have only a vague notion of what offset printing is. Most of them know only that it is a kind of photo-lithography, that is, the making of a plate directly from a photograph of the type. Until recently they did not dream that commercial printers have been developing offset presses which operate at speeds nearly equal to newspaper-press speeds. Few

of them know that successful experiments have been made in converting newspaper presses into machines for reproduction by the offset process. When their imaginations begin to work, they are bound to ask themselves what these new inventions will leave for telegraph editors to do. And what about copy readers? What, indeed, about the printers and stereotypers? And, for that matter, what will become of a large proportion of the news and editorial workers?

Well, there is no occasion for immediate alarm. The change will get under way slowly, and one of its first effects should be employment opportunities in the manufacture of offset presses and equipment. Eventually it may be expected that many printers will have to become lithographers. If newspapers undertook to change over to offset printing at once, there would not be nearly enough skilled lithographers to do the work. And before that happens, another invention is needed, namely, a "composing typewriter" which will provide copy of near-print quality. With this device papers could dispense with type-setting equipment, and news agencies could send out columns of photographed copy without spending the money and time to have it put into type.

Speculation is naturally aroused as to whether journalism, if the newspaper industry makes full use of this opportunity to reduce drastically its costs, will have a rebirth. There might come into existence an entirely new and different kind of newspaper served by entirely new and different news-gathering agencies—press associations which could send out ready-made pages of news and offer a variety of such pages in order to serve the several broad geographical sections of the country. These new newspapers, should they wish to proclaim their freedom from control by big business or the banks, might refuse to carry advertising. It is this prospect that is really exciting to news men who detest "business-office domination," real or fancied, above all other things.

The high cost of paper plus high printing costs, due to American participation in the World War, killed the only notable experiment in "adless" journalism, the Chicago *Day Book,* owned by the late E. W. Scripps and edited by Negley D. Cochran. The *Day Book* was started in 1911 and continued until June, 1917. During its last year, with a circulation of about 16,000 copies daily, it became self-supporting and even earned about $300 a month over total expenses. The paper then sold at 2 cents a copy. This experiment was conducted in a day when telegraph news was received by Morse operators, and before labor-saving short cuts in printing now in use had been developed. In his biography of E. W. Scripps Mr. Cochran writes: "One thing is certain: publication of the *Day Book* would have continued if the World War had not completely changed conditions, notably the price of news print." Besides the investment in plant, the deficits of the *Day Book* for five years amounted to about $100,000. It took a rich man to make the experiment. Today *Editor and Publisher* reports that a new offset press and folder, suitable for small daily use, cost around $8,500. It seems probable that by their use, with a total plant investment of $15,000, a newspaper of the *Day Book's* circulation could be produced with mechanical and material costs not exceeding $300 a week.

Many small newspapers carry so little advertising that the further step to none at all would not be difficult. For several years the more alert newspaper publishers in smaller cities have been gradually boosting subscription rates, and at the same time promoting efficiency and economies in their circulation departments. If they could get well-edited news pages by wire-photo, cut out the costs of advertising departments, and use the time of their staffs for better coverage of local news they probably would make the change with enthusiasm.

But at this point in our speculation upon the possibilities comes the realization that what a small, poorly financed organization could do, a big well-financed organization also could do—and perhaps much better. The big newspapers in New York have uptown and downtown plants or perhaps plants in Brooklyn. The composition work is done in a central plant, and matrices are sent by subway to subsidiary plants. Delivery of newspapers all over town is thus facilitated. There is no reason why these subsidiary plants should not be equipped with offset presses, or why pictures of rush pages should not be sent by telephoto. And if that can be done, there is no physical reason why a chain of newspapers throughout the country should not be similarly operated. Holders of press-association franchises, of course, would protest vigorously against such operating methods—which is one reason why it would seem logical for independent press associations to spring up.

What the present-day publisher may really have to worry about is competition from a new newspaper which, without any of the shackles of a newspaper that carries advertisements, may get into the field before he can make the shift. The new newspaper might, however, be one of a chain, in which case it would be likely to carry national advertising—automobiles, cigarettes, and packaged merchandise. In that case the local publisher might hold his ground by arguing that the rival newspaper's position on national affairs was likely to be influenced by the big national advertisers and the financial interests backing the chain.

In speculating on the chances of an adless paper it might be instructive to consider the case of the New York *Post,* which has for some time been operating at a loss. The *Post* has a daily circulation of around 250,000. This circulation, figured at $2.35 per hundred, the standard wholesale rate applying to afternoon newspapers in New York, should produce a gross circulation revenue of around $35,000 a week. By the offset method of pro-

duction—on the basis of current commercial rates for offset printing—an eight-page newspaper of the size of the *Post* could be produced for $5,000 or $6,000 a week. This would leave well over $25,000 for editorial and managerial expenses, since there is no reason to assume that such a paper as the *Post* would not, even without ads, continue to find 250,000 regular buyers in New York. That sum is ample for the production of a well-edited newspaper, paying salaries equal to or above the Newspaper Guild scale. Eight pages would be enough for news columns and features. Thus if the *Post* should now cease publication because of insufficient revenue, it could well be argued that the forces which control the placing of advertising in New York also control the right of the people to have the *Post,* regardless of its ability to serve their needs as a newspaper.

When the automobile first appeared, railroad officials went on loftily running their railroads, ignoring the danger of competition from the new mode of transportation. Will the newspapers ignore the possibilities of the offset process? Some of them will—undoubtedly. And some upstarts—now not even connected with the newspaper business—may before long start producing the "newspaper of the future." Whoever starts it, it seems safe to predict that the adless newspaper—supported entirely by its readers—will at no very distant time appear on the country's newsstands.

Everybody's Business

MARS AND MARKETS

WALL STREET has those international blues. Just before Hitler seized Czechoslovakia the Dow-Jones average of industrial stocks had climbed laboriously to 152, not far from the highest point reached since the beginning of the mid-1938 recovery. By April 8 an almost perpendicular fall had carried it down to 121.44, a bare six points above the depressed level of a year ago. At the time of writing, despite a mild rally, it is still nearly four points under the pre-Munich low.

Why should Wall Street fall flat on its face when Chamberlain musters up courage to tell Berlin to keep away from Poland? Why should the bears roar gleefully as Mussolini bumps off little Albania? It's a strange comment on the isolationism advocated by such influential financial organs as the *Wall Street Journal* and the *Commercial and Financial Chronicle.* If, as these papers maintain, Europe's mess is no affair of ours and we can and should keep out, these distant alarms ought not to have such a devastating effect on our domestic market. But is it really true that the international crisis, in addition to deflating Wall Street, has throttled our stripling industrial recovery? Would war, if it should break out, immediately reduce our economy to chaos? Or are wicked European speculators to blame for all the trouble?

In recent years, when international news has upset the market, "European liquidation" has been a popular explanation. Actually it has seldom been an important factor. Some speculative positions may have been closed out, since cash is an ever-present help in time of woe. But for the most part European buyers of American securities are hedging against political risks, and the greater the international tension, the greater their anxiety to hold on. In the last month few reports of foreign selling have reached the market; on the contrary there have been reports of European bargain-hunting as stocks fell. Moreover, there is other evidence that overseas exchanges have been far less jittery than Wall Street, far less ready to assume that the end of appeasement is necessarily a signal of doom. The international stock-market indices for April 8 show that in London, Paris, Zurich, and Amsterdam levels have been practically unchanged since April 1, whereas the New York index for the same period suffered a 10 per cent drop.

If the foreigner is innocent, what has bitten the Stock Exchange? There seem to be several answers to this question, all of them partly valid. Despite the SEC, Wall Street is still dominated by speculators to a much greater extent than is London. The speculator is a nervous animal whose one thought in times of uncertainty is to "get liquid." Moreover, since the outcome of the present crisis may be war—and no one can write off that possibility—he is apt to look back to 1914. He remembers that then, after a short sharp slump, the Stock Exchange closed down for several months, thus preventing any frantic scramble for cash. Actually considerable bootlegging of stocks went on, at first with falling prices. Later the unofficial market turned distinctly firm, and when the Exchange itself reopened, a boom soon began. Suppose, argues the speculator of today, events take a similar course; who will profit? The man whose capital is represented by cash in the bank will be able to pick up nice bargains.

Arguments of this kind are reinforced by the findings of followers of "Dow Theory" in one of its varieties, said to number from 60,000 to 200,000 persons. "Dow Theory" is a method of market analysis which has for the hardened speculator many of the charms that a "system" has for the habitué of casinos. Its basic idea is that the ticker tells all. Let not the student of market trends bother his head with industrial reports, indices of production, commodity movements, and the like. All he needs to know can be found in a chart of the daily averages, since supply and demand on the Exchange as reflected in the stock quotations foreshadow faithfully the swings of our economic system. Why should this be so? "Because," writes one of the cruder prophets of the theory, "the smartest moneyed brains of the country talk with their dollars. . . . What they say is indelibly recorded in the price changes of the leading stocks traded on the New York Stock Exchange, or, in other words, in the Averages."*

It would take far too much space to go into all the subtleties and variations of Dow Theory, which now supports a whole literature and a growing army of professional interpreters. Its importance at the present time is that, sound or false, a host of market operators swear by it. When the mid-March peak of the chart failed to reach the post-Munich high, they shook their heads. And when, this month, the averages fell below the point reached during the Munich

* "Profits Out of Wall Street." By H. Wilder Osborne. Alfred A. Knopf. $1.25.

crisis, they were convinced that a definite bear market was in full swing. Now, obviously, if tens of thousands of speculators believe they have had an infallible signal to sell, the sheer weight of their operations can carry the market down farther. Moreover, they may infect non-believers, since speculators, especially for the short run, are guided not so much by what they think of prospects as by what they think other speculators are going to think.

But what concern, it may be asked, are these Wall Street vagaries to the 120,000,000 Americans who never owned a stock? Stock Exchange apologists will tell you that the market is only a barometer: it registers economic changes but does not affect them. This is only partly true. Stock prices do reflect the optimism or pessimism with which business executives regard the prospects of their own industry. But, vice versa, market behavior has also a positive influence on their actions. When the market is bullish, they are encouraged to expand; when bearish, they hesitate to make new commitments, tend to curtail production. Today war scares have checked a spring improvement in business of which there were hopeful signs in early March. This was a factor in the subsequent decline in stocks, although that decline was, thanks to the European crisis, quite out of proportion to the minor setback in industry which has so far materialized. But now the Wall Street slump may itself produce a further recession. Thus we proceed in a circle, viciously. Fortunately there are other factors which should cause an early stand. There is no credit strain; on the contrary, money is superabundant. Government spending still helps maintain consumption and provides a cushion for the investment industries. Housing is going ahead. Inventories are low. Failing war, the economic results of which for this country are unpredictable, we shall probably avoid any major business setback and may find renewed recovery later in the year. But thanks to the dictators and to Wall Street, which magnifies every adverse happening, we have been robbed of the economic promise of spring. KEITH HUTCHISON

In the Wind

ON EASTER EVE the Toledo *Blade* editorially condoned Franco's liquidation of his foes, asserting that "it is the right of war conquerors to treat those whom they have conquered according to their pleasure." The paper even quoted Julius Caesar in support of this contention. The leading editorial, on the same page, was captioned: "Observance of Christ's Ideals Could Solve World's Troubles."

NEVER DISTINGUISHED for incorruptibility, French newspapers of the right have lately displayed startling reversals of opinion. Before Munich *l'Eclaireur de Nice et du Sud-Est* besecched Czechoslovakia to surrender in its "own interest," and applauded when the Czechs gave way under British-French pressure. Now it approves Mussolini's blast against the Czechs for failing to fight, saying, "Mussolini is perfectly justified to affirm in his speech: 'I declare that when a nation with great numbers of men and immense arms arsenals is incapable of at least making a gesture [of defense], this shows that it is worn out, too ripe for its future destiny.' "

ROY MILLER, Texas journalist and long-time intimate of John Nance Garner, is handling the Vice-President's Presidential boom. He has already set up unofficial headquarters in Washington. Garner disclaims all interest in the drive, but he sends Miller all letters bearing upon his candidacy.

ALTHOUGH NEGOTIATIONS for a reunion of the Social Democratic Federation (Old Guard) and the Socialist Party have been quietly going on for some weeks, it is still far from certain that the fusion will occur. Conferees have split over questions of organizational set-up, over foreign policy, and over the "revolutionary" policies which originally divided the party.

LEADING NEWSPAPERS are making quick changes in personnel in key cities. The *Herald Tribune* has shifted Joseph Driscoll from London to Washington, with the Presidential campaign in view. Albert L. Warner has resigned from the same paper, and on not too friendly terms. Meanwhile, the *Times's* Herbert Matthews is writing from Rome, and William Carney, according to latest reports, is headed for the Mexican assignment—where he is unlikely to get an official reception.

WASHINGTON HAS been flooded recently with fierce "Anti-Jew-Communist" handbills bearing the imprint of the Nationalist Publishing Company, Box 4466, Washington. A citizen who wrote to that address asking for a supply of the handbills received this reply signed by Carlton Brenerly:

> We have "Anti-Jew-Communist" handbills for free distribution. Since we do not know you we hesitate to send you any quantities; however, if you can explain how you know about us or can get someone who has read our literature to recommend you we shall be pleased to send you larger quantities of handbills. From experience we have learned that leaving these handbills at houses does little good. In one experiment we left over 1,000 with no answers. The best way is to give these handbills to people who you know are interested rather than waste them by leaving them from door to door. We advise you not to send postcards through the mail inquiring about the Jew-Communist question. It is not safe!

THE FRONT page of *Der Angriff* recently carried this headline: "Roosevelt Is Driving America Toward War as the Slaughtered Victim of World Jewry." Accompanying the article was a cartoon entitled "All Dressed Up in His New Uniform." It showed Mr. Roosevelt wearing a uniform "Made in Moscow," brandishing a sword with the inscription "Challenge to Hitler," and carrying a sign which read "Save the World for Democracy." In the background was Uncle Sam saying: "Take it off, Franklin; we're not goin' anywhere." The cartoon originally appeared in the Chicago *Tribune.*

THE NAZI press is giving lavish publicity to lectures by Professor Saiki, a Japanese scientist now in Germany. Professor Saiki is telling German audiences that "three meals a day are quite unnecessary and actually harmful."

[*We invite our readers to submit material for In the Wind—either clippings with source and date or stories that can be clearly authenticated. A prize of $5 will be awarded each month for the best item.*—EDITORS THE NATION.]

Issues and Men

BY OSWALD GARRISON VILLARD

I HAVE found nowhere a more valuable article about the Jews than that by Rabbi Philip S. Bernstein of Rochester in *Harper's Magazine* for April, called Some Facts About the Jews. It is exactly that, no more and no less, and it was written with an objectivity which is really remarkable. He does not seek to probe the causes of race prejudice which lie deep "in the darkest and least understood realms of human psychology." He merely takes up, one after the other, the various charges that one hears on every side—that, for example, expressed by the *Catholic Transcript* of Hartford last year: "The Jews . . . are hated because they are too prosperous, too successfully grasping. They win too easily when they contend for the good things that the world of the present day has to give. . . . They are the richest men in the world. . . ." He then points out that in Rochester the Jews are not in the largest industries, that there is not a single important Jewish officer in any Rochester bank, that all the banks are controlled by Gentiles, and that the leading dry-goods stores are also. He points out that there are in Rochester a small number of wealthy Jews and a large number comfortably situated, but that aside from these, there is a great mass of poor Jews who share the present-day misery of the masses of this country.

The same is true in New York City, as anyone can see for himself who goes to the East Side. The Jewish wealth in New York City is greater proportionately than anywhere else, but there are hundreds of thousands of Jews in poverty and need or approaching the danger line all the time. If there were not, there would be no need for the great and ably managed Jewish charities. Yet people tell me all the time, "The Jews own New York." "We shall all soon have to move out of New York because the Jews own all the real estate in the city." As a matter of fact, as Rabbi Bernstein points out, "with the exception of the manufacture of clothing, retail distribution, and motion-picture production the great industries and wealth of America are in the hands of Gentiles." Of the 200 largest American corporations there are only 10 of which the president or the chairman of the board is a Jew.

"But look at Wall Street," I hear. The answer is that *Fortune* reported in 1936 that only 18 per cent of the members of the Stock Exchange were Jews, and of the 637 firms listed by the Exchange Directory only 55 are Jewish, 24 half-Jewish, and 39 with prominent Jewish influence, or a total of 118 out of 637 firms. The largest New York banks are not only controlled by non-Jews but rarely employ any Jews, and there is only one Jewish banking firm, Kuhn, Loeb and Company, which does any substantial foreign business. *Fortune* was right when it said in 1936 that "the Jews do not dominate the American scene." Yet the lies go on.

Another of the most frequent slanders is that all Jews are Communists. Evidently they conceal the fact very well, because we have in New York City two million Jews, and yet the Communist Party has been ruled off the ballot because its candidate received less than 50,000 votes in the last election, actually only 31,987. Every one of the nine leaders of the Communist Party is a Gentile; not one is a Jew. "Well, but so many Jews are criminals." To this accusation Rabbi Bernstein replies by showing that during the years from 1920 to 1929 Jews furnished only a little over half of their numerical quota to the population of our state and federal prisons. One pleasant story told by the Rabbi is that when in October, 1937, a Jewish boy was convicted in Albuquerque, New Mexico, on a charge of forgery, the judge, a Gentile, suspended the sentence because "there is not a Jew in New Mexico prisons and I dislike to spoil that record of a law-abiding element of our citizens." Finally, we have the fact that 40,000 of the 225,000 Jews who were in the army during the World War were volunteers; these 225,000 Jews formed 5 per cent of the army, although Jews constituted at that time only 3 per cent of the population.

Yet I suppose the slanders will go on. We shall continue to hear that 3 per cent of the population is ruining the country, debauching the morals of our youth, and walking off with all the prizes in the learned professions. I constantly hear that Jewish physicians and lawyers are taking the bread out of the mouths of American professional men. That is not true either, but if it were true I cannot see why the fact that the Jew has a greater aptitude for those professions should be considered an indictment of him. People complain, too, that East Side Jews "look different" and often dress differently from the rest of us. They do not know that for centuries Jews were compelled to wear special attire. For centuries also the nations of Europe jammed the Jews into ghettos and refused to allow them to live by anything else than by trade. Yet the Jews are denounced today because they turn rather slowly to agriculture and are such successful merchants and business men.

BOOKS *and the* ARTS

Wizard, Retired

SCHACHT: HITLER'S MAGICIAN. By Norbert Muhlen. Alliance Book Corporation. $3.

DR. SCHACHT once denounced the Soviets' repudiation of the czarist debts as a "species of barbarism." Perhaps it was the straightforward method they adopted which disgusted him. In 1905 the Bolsheviks, in common with less revolutionary Russian parties, had warned foreign capitalists that they would not recognize czarist obligations; and when they came to power they made good their warning.

The German method of debt repudiation, as perfected by the ingenious Dr. Schacht, has probably cost foreign creditors as great a loss as was incurred in Russia. There has been no outright confiscation, but as Dr. Muhlen neatly puts it, the property of foreign investors has been confined in a Nazi concentration camp. After several years of beating and starvation there is precious little left. Of course the victims of this process did not realize at first just what was happening. Dr. Schacht had a great reputation as an upright citizen whose character was vouched for by the most respectable foreign bankers, and in the beginning he spoke soothing words before each fresh attack on the creditors. His sole object, he asserted, as he cut interest rates and blocked transfers, was to safeguard the investors' interests.

This account of "the life and loans of Dr. Schacht" traces the whole intricate story not only of the bilking of foreign creditors but of the gutting of German economy in the interests of Nazi *Weltpolitik*. Dr. Muhlen is rather addicted to moralizing—a pity since the facts themselves ring with ironic overtones—but nevertheless he has made an effective job of a difficult task. Particularly valuable is his description of the way in which suppliers of foreign goods have been tricked into making forced loans for the financing of German rearmament. In the old melodramas the stony-hearted creditor was often the symbol of villainy. Dr. Schacht has provided us with a new conception of a soulless debtor using credit obtained under false pretenses as an instrument of oppression.

In their financial warfare the Nazis have used a strategy similar to that employed in their diplomatic campaigns. Schacht's fundamental rule, writes Dr. Muhlen, was:

> Always "tread on the adversary's corns"; if the adversary jibed, make a tactical retreat. Never mention the purpose of the struggle—to leave not a pfennig for the creditors—and regularly demand only a part of the full booty; then, when that has been extracted, demand another part which has only just been solemnly promised to the adversary. Always split the enemy front, put them off with long negotiations, with offers not seriously meant, and with unreal compromises, until their resistance has been worn down; then deal a sudden blow.

In addition to its exposure of his financial methods this book provides some interesting details of Schacht's personal history. In view of his recent activities it is amusing to note that he started life as an exponent of free trade and classical liberalism. But then he has always been a superb opportunist. Only once did he slip badly. That was during the war when, loaned to the military administration in Belgium as financial adviser, he used his position to secure advantages for the Dresdner Bank, by which he was regularly employed. This error nearly cost his first appointment as president of the Reichsbank in 1923. The central committee of the bank voted heavily against him, finding him technically unfit and morally disqualified because of "the well-known Brussels incident." But Schacht had made good political allies by his stout professions of republicanism, and left pressure gave him the job. He nosed out in good time the leaky condition of the Weimar ship of state and found occasion to resign from the bank in 1930, securing three years' full salary as "severance pay." The same year he met Hitler for the first time, and before long, according to Dr. Muhlen, he had become the liaison between the Nazis and domestic and foreign financial interests. Just three years after his resignation he was back again as head of the Reichsbank, willing enough to use his talents for the overthrow of all the economic principles he had once passionately defended.

But the Nazis never trusted him; when his usefulness was at an end he was squeezed out of the Ministry of Economics by the ubiquitous Göring. He hung on to his post at the Reichsbank until the beginning of the present year. When last heard of he was "traveling for his health," like not a few other opportunists who have sought to ride the Nazi whirlwind.

KEITH HUTCHISON

Yale in America

DEATH OF A YALE MAN. By Malcolm Ross. Farrar and Rinehart. $2.50.

THIS book belongs on the shelf with the personal histories—by which I do not mean that Dick Merriwell in the Upper Amazon sort of thing. Such books depend partly on their author's having been in the right place at the right time, but mainly on his having been something when he got there. Mr. Ross is not, like Vincent Sheean, the kind of man who seems to have turned up at all the battles of Waterloo; nor does he, like Steffens, combine the reporter's sense of the significant with the scholar's knowledge of the facts. Where Mr. Ross does seem to have turned up with astonishing regularity is at those points in post-war America's history where the nation's attitude toward itself was changing; and what he brought to those important if sometimes obscure places was a typical American temperament. Because of that temperament Mr. Ross found himself perched on coigns of vantage from which to observe at first hand the birth of the NIRA, Harlan County (Kentucky), the early days of the NLRB, and the crucial Remington-Rand strike of 1936. But many others were equally well placed to observe these events; and it is what Mr. Ross was thinking and feeling, not where he was, that makes his story fascinating.

That fascination is the fascination of the normal. Mr. Ross's title, for all its neatness and the chance it provided his publishers to design a very handsome Yale-blue jacket, may be misleading on that point. What he means by Yale is ". . . that confraternity of interests which year after year takes for its own most of the young minds and hearts of America, and before their eyes holds up the glories of a materialist world, while still chanting the rituals which once moved men to sacrifice. I think from experiencing this conflict within myself that it is time to fish or cut bait." That is not Yale; it is America. And the remarkable fact is that Mr. Ross has been—and remains—in so many respects the typical American of his generation and yet has come to see so clearly that America must make that choice.

Mr. Ross came out of Yale with that special innocence of his generation, the belief that he could combine the making of money and "living." "Living" was something quite characteristic for him; it was adventure and excitement; it was a romantic love of American history and the American countryside, and a tendency to think about them in rather flamboyant terms—the Texas prairie, for example, gave him "a sense of being vastly alone and vastly alive"; and it was an obscure but powerful respect for the common man's individuality, his decency, and his immense skill within his world. Mr. Ross's favorite poet is Walt Whitman. But he soon learned that making money and living did not combine so easily; "among the vast glossary of things of which no one had ever told me was this danger of being seduced by life away from the main interest of making money."

Mr. Ross, with more or less deliberation, allowed himself to be seduced, with the result that he turned up with the Quakers in Harlan County instead of with his friends in Louisville, against the barrier of whose "absentee disbelief" about conditions in Harlan County "the sure evidence of my senses crashed." He turned up on the Consumer Advisory Board of the NIRA, whose absurdities amused him and for whom he fought the canning industry in an unsuccessful attempt to make it adopt standard labeling. And he turned up on the NLRB, where he listened to his Yale contemporaries, who had not allowed themselves to be seduced by living, argue that the Wagner Act deprived workers of their right to bargain individually with their employers.

To each of these experiences Mr. Ross brought his typical American attitude, with its pragmatism, its tendency to romanticize, its tolerance, and its respect for the individual. He brought only one quality which is perhaps not typically, though certainly it is recognizably, American—the stubborn integrity of his mind. It is that integrity which made him choose living rather than making money; and it is that integrity which has kept his Americanism from souring into the no doubt largely unconscious hypocrisy of corporation lawyers, paternalistic executives, and citizens' committees. The difference in fundamental temperament between Mr. Ross, who chose living, and his contemporaries, who chose to make money, is not great; the difference in the consequences of their choices is tremendous. And the result of Mr. Ross's having chosen to fish rather than cut coupons is a book you wish every middle-class American might read, not because it is a great book, but because it is so fine and convincing a book for our time.

ARTHUR MIZENER

Rebel Painters

REBELS OF ART. MANET TO MATISSE. By George Slocombe. Robert M. McBride and Company. $3.50.

THE painters chosen for this series of short essays—Manet, Monet, Pissarro, Cézanne, Renoir, Sisley, Degas, Van Gogh, Gauguin, Toulouse-Lautrec, Modigliani, Utrillo, and Matisse—represent almost a century of bitter struggle against successive manifestations of the authority of French "official" art. Inevitably the revolutionaries of one generation became the classics of the next, to be rebelled against in their turn by younger men.

Any classification of artistic "rebels," involving the inclusion of certain painters and the omission of others, must necessarily be somewhat arbitrary. The artists discussed in this book were all rebels, but their revolts differed in kind as well as in degree: Degas and Lautrec were essentially rebels against social convention in the choice of many of their subjects, whereas the great impressionists were true experimenters in a new conception and a new method of painting. The author expressly excludes the Spaniard Picasso from his list because he wishes "to limit this study to the creators of what seems to him a purely French movement," but he considers Van Gogh—and apparently Modigliani—sufficiently "influenced by the French scene, the French character, the skies and the lambent air of France" to justify their admission to the group. The distinction is not altogether convincing. The omission of Seurat seems unwarranted—an opinion shared by Murdock Pemberton, whose able commentary prefaces the book—but on the whole the selection is a good one. The specific contributions of the individual painters, the differences between them as well as the similarities which bind them together, are clearly and simply presented.

Though Mr. Slocombe claims that his text is biographical rather than critical, the discussions of painting are, in fact, more illuminating than the biographies of the painters. The usefulness of the book, as biography, is seriously diminished by numerous errors of fact, of date, and of place. To take only one example, the author tells us on page 98: "In 1867 he [Cézanne] returned to Aix and married a certain Marie Hortense Fiquet, also of Aix, that timid and patient woman who was to figure thereafter, with the exception of his sisters Marie and Rose, as his solitary female model. . . ." This is wholly inaccurate. Cézanne and Hortense Fiquet were married in 1886, not 1867; Hortense was born at Saligneil in the Jura and never lived at Aix before her marriage; she was anything but "timid and patient," according to the testimony of many surviving friends and members of the family, including her own son; and she and Cézanne's sisters were by no means his only female models—witness La Femme à la Cafetière, La Jeune Fille à la Poupée, La Jeune Italienne Accoudée, and La Vieille au Chapelet, among others, all painted after 1890. Indeed, Cézanne's sisters were almost negligible as models: neither appeared in any of his works after about 1870.

The number of inaccuracies crowded into the few lines quoted above make this an extreme case, but similar slips abound on a smaller scale. At least twenty-five misstatements, some of minor, some of major importance, occur in the chap-

ters on Cézanne and Lautrec alone. Moreover, the text is liberally sprinkled with typographical errors—one is amazed to learn that it was Louis XIV (*sic*) who was guillotined in what is now the Place de la Concorde—and the printer has been permitted to juggle light-heartedly with the French accents. The best sections of the book are the three introductory chapters which deal with the colorful Parisian background, and the thirty-two excellent reproductions of works by the rebel painters. GERSTLE MACK

Berlin, Pre-Swastika

GOODBYE TO BERLIN. By Christopher Isherwood. Random House. $2.50.

THE young English writer Christopher Isherwood—author of the novel "The Last of Mr. Norris" and collaborator in the plays of W. H. Auden—has published a collection of stories called "Goodbye to Berlin." These stories form a loosely connected sequence; they are fragments of a big novel which Isherwood once planned to write. There is nothing sensational about them. They are the product of a melancholy and witty irony which looks coolly and deeply into its material.

Why have they moved me so strongly? Because they describe the Berlin which I know; because they conjure up people, streets, and landscapes which once filled me with love or exasperation; because they picture the *real* Berlin—not the Berlin of the guidebooks, or the conducted tours, or the diplomatic memoirs; not "the wickedest city in Europe"; not the Berlin of splendor and parade which famous journalists have so brilliantly described.

Many faces appear, vanish, and reappear in these stories. They read like the pages of a swiftly written journal. Only two of them, the first and the last, are entitled "Berlin Diary," but the other four are also autobiographical and told in the first person singular. A young English writer and language teacher named Christopher Isherwood comes to feel, during the years 1930 to 1933, that he is almost a native of Berlin. By nature he seems rather passive, but observant, extremely intelligent, witty, and gifted with a fine understanding of all sorts of human beings. In these last, confused, nervous "pre-Hitler" years he sees a great deal, and he writes it down. The "real" Isherwood, author of this book and creator of his own shadow-self, refuses absolutely—so he tells us in his preface—to be confused or identified with his "false" double. And this proves that the "real" Isherwood underestimates the "false." For the "false" Isherwood, the eloquent but discreet hero and narrator, is an interesting figure. A man who can understand and so effectively present the predicaments of others cannot be without his own significant experiences. But the "false," or the "real," Isherwood is silent about the problems and complications of his own existence. What he has to tell us about those of others is, however, varied and fascinating enough.

They could scarcely be described as important, these characters of his; nor are they always sympathetic—but they are always touching, and if they seldom earn our admiration or respect, they at least arouse our pity. Take Fräulein Schröder, for example, the gossiping, smugly corrupt landlady of a fourth-rate *pension*, apparently a minor character but really, perhaps, the spiritual center of the book; take the little gigolos, the mixer, Fräulein Mayr the Bavarian *Jodlerin*, and Fräulein Kost who "walks the line"; take the daughters of two good Jewish families, Hippi Bernstein and Natalia Landauer; take the boys from the dubious Alexander Casino; take Herr and Frau Nowak, the proletarian couple with their three children—no, there is nothing great about any of them, nothing extraordinary, nothing distinguished. But they are human beings: their actions and reactions, cares and quarrels, pleasures and lusts are spontaneous and often moving, by virtue of their very naivete.

In addition, and with the same mixture of sympathy, sarcasm, and mild astonishment which he brings to his observation of the Berliners, Isherwood has described some of his compatriots. There is the eccentric Sally Bowles, heroine of an excellent story, the would-be demi-mondaine, the sham *Dame aux Camélias*. Sally, who comes of a respectable British family, has nothing but bad luck with her men. For all her affected viciousness, she is touchingly ignorant of the ways of the world, and falls victim, at last, to the clumsy tricks of a sixteen-year-old swindler. Charming, silly little Sally certainly isn't a heroic character. Yet this foreign girl, astray from her class and her traditions, is shown, subtly and effectively, as representing the style and mood of a whole shattered society—a society which was also astray and heading for its total overthrow, into the Third Reich.

Isherwood is neither a reporter nor a preacher of morals; as a discreet and somewhat romantic realist he likes indirect methods. The people he presents to us—the petty bourgeoisie and unsuccessful bohemians, the well-to-do business men and the pleasure-seeking foreigners, the workers and the minor criminals—are entirely, or almost entirely, preoccupied by their private affairs. Their talk is of love, of money, of the weather, of their professional prospects and their little intrigues. Nevertheless, politics play a dominating part in the lives of these men and women, and in the development of this book which describes them. Its "intimate" character is only apparent; it is in reality eminently political. Isherwood aspires to portray the decay and rapid transformation of the German capital, in epic form. He tries to make clear *how it happened*. In many passages he most impressively succeeds.

The shadow of the swastika lies, already, upon his opening pages; and as these stories carry us forward, from 1930 to 1933, it becomes heavier, more solid, more threatening. Do not all the faces that we meet here—the human, touchingly comic faces—carry somewhere, secretly, the mark of the curse? Are they not all stumbling toward a precipice? That precipice is the Third Reich. And into it they fall.

A few will not notice what has happened to them. Fräulein Schröder, for example, will scarcely be aware of the change. But others, the more highly developed natures, will be destroyed. Bernhard Landauer—perhaps the most complex, most delicate character in the book—must die. He is the young head of a big department store, a skeptical philosopher and collector of antiques. The Nazis murder him. What will become of the Nowaks? One of the sons was a Nazi. Is he still believing in Hitler today? Or is he disillusioned?

There is nobody to answer these questions. The young English writer and language teacher who saw so much has

gone: Berlin became a nightmare for him at last. Darkness falls on the great, lovable, ugly city. The foreigner must abandon her to her fate. May it be merciful! The men and women to whom Isherwood has introduced us cannot all have turned suddenly into monsters. But they can make mistakes, and sin through ignorance; they can become guilty, and they can atone.

Auf Wiedersehen, Berlin! KLAUS MANN

Made in U.S.A.

AUTOBIOGRAPHY WITH LETTERS. By William Lyon Phelps. Oxford University Press. $3.75.

"EVEN as a little child," records Professor Phelps, "I responded gratefully—and usually with surprise—to any acts of kindness or to any courtesies from older people," and his autobiography relates his almost infinite gratitude for life's almost infinite courtesies. How could he not be gay? His heart had always thumped when he thought of Yale, the undergraduates walking like gods down the streets, and to teach there was very bliss. From his Yale children it was only a step to his Sunday children in Brooklyn, his Saturday children in Manhattan, his Philadelphia children. Culture and paternity advancing hand in hand, other cities, the entire continent, would soon succumb to their joyous union, and did. A little more cautious, the Yale faculty did not take so much longer really to capitulate to a charm which one is tempted to characterize as virulent, and they were the first of the more learned Friends of Billy Phelps—Santayana, Hardy, Riley, Galsworthy, Conrad, Chesterton—the accounts of whom form a valuable portion of Professor Phelps's volume.

Reading over the 1,000 pages of memories, anecdotes, homilies, apologies, appreciations, revelations, which describe Professor Phelps's life and friendships, it is impossible for us also not to feel admiration and amazement. Expounding T and B (Tennyson and Browning) to 500 undergraduates, playing golf with Glenna Collett, editing Chapman, writing to Galsworthy on the use of the double possessive, studying Schopenhauer, addressing a convention of school teachers in Charlotte, shooting quail in Atlanta—into each of these Professor Phelps pours his energies without conflict, and from each draws the inevitable happy returns. In our uneasy period he gives us the history of a colossal happiness. And if today we are inclined to regard such excessive joy with a certain suspicion, Professor Phelps, it is true, has had to make his concessions to achieve it. Occasionally we cannot help considering him a sort of Henry Ford of culture—the raw books flowing into his library at one end of a spiritual assembly line, and the finished verdicts flowing out at the other; only whereas the automobile manufacturer must have his shutdowns, Professor Phelps, controlling his supplies and his distribution with an efficiency any monopolist might envy, has continually and for over fifty years speeded up production.

If such an association seems incongruous for a scholar, it is simply because we do not realize that the essence of Professor Phelps lies in his fusion of our national temperament with learning. He is as indigenous as Coney Island and the McCormick reaper. Like the Mississippi he is an American phenomenon, and like it also he is more a force of nature than a solitary individual. Although the pages of the "Autobiography" are studded with learned quotations in varied languages, their watermark is always U. S. A., and they reveal the immense energy of our society, our hero-worship, tolerance, pragmatic curiosity, sentimentality, and geniality. Professor Phelps showed thousands of citizens that reading novels is fun, that Hamlet is as exciting as a brass band, and that he could be equally passionate about Browning and baseball. His success comes from this, of course, and his virtue is that, however imperfectly and sometimes almost by sleight of hand, he transferred the American vision from material to spiritual objects. And if, bringing the classics to the provinces, Professor Phelps was sometimes forced to describe them as a Sears-Roebuck catalogue might classify a Botticelli, he was always working toward a better future. When the Dies committee investigates Billy Phelps, it will find that he is a propagandist for civilization.

MAXWELL GEISMAR

United States of the World

UNION NOW. By Clarence K. Streit. Harper and Brothers. $3.

MR. STREIT'S book is remote from present-day realities—which does not mean that it is without value, for the fundamental idea that underlies it is right. I agree with Mr. Streit that we shall ultimately have to come to what he calls "union," that is to say, a United States of the civilized world, but "union now" is a different proposition and, I fear, quite an impracticable one. We all know that neither England nor France nor the United States, to say nothing of the other countries that Mr. Streit proposes to include, would even consent to discuss it. It is an ideal which may at last be reached after many years of propaganda in its favor.

Nor can I agree that, if Mr. Streit's proposal could come into operation immediately, it would be a remedy for the present international situation. Our immediate task is to stop a new barbarian invasion which threatens to overwhelm European civilization. It can be stopped only by a combination—that is, a defensive alliance—of all the countries, whether nominally democratic or not, prepared to join in it. It is much to be feared that the "Union" of Mr. Streit's fifteen democracies at the present moment might drive the other countries into the arms of Germany. I do not share Mr. Streit's confidence that Russia, for example, would be friendly to such a Union.

The European countries included in the fifteen are England, France, Belgium, Denmark, Finland, Holland, Ireland, Norway, Sweden, and Switzerland—Mr. Streit is doubtful with reason about Finland. Of these countries England and France alone have any military strength to speak of. If they were confronted by a combination of all the other European countries, the United States would have to bear the brunt of the inevitable war. Mr. Streit says: "No serious foreign trade problem would remain for the Union and no outside country could withstand the bargaining power of this rich market with its monopoly control of essential raw materials." The other countries would hardly be likely to regard this as a

pleasing prospect. Mr. Streit further says that the Union would not need protective tariffs and "would need a tariff for revenue much less than any democracy now." If it had any tariff at all, it would be an economic menace to the rest of the world.

In my opinion, Mr. Streit is perfectly right in thinking that the fact that the League of Nations is based on national sovereignty is the fundamental vice in its constitution. It made necessary the unanimity rule which has been so serious a hindrance to the effective work of the League and has led to unsatisfactory compromises. I am inclined, however, to think that the League might work much more effectively if the unanimity rule were abolished and decisions were taken by, say, a two-thirds' majority. This, of course, would involve the substitution of a system of plural voting in proportion to population for the existing system of one nation one vote, which, as Mr. Streit justly says, is undemocratic as well as absurd.

Mr. Streit's system of beginning a world union with a "nucleus" seems to me a fundamental error. It would be no more difficult to form a world union than to form a nucleus, when the conditions bring such a union within the domain of practical politics. We shall have to wait a long time for that, but no longer perhaps than for the "nucleus." Another error seems to me to be that, if I do not misunderstand him, Mr. Streit thinks that political democracy is enough. If so, I cannot agree with him. In my opinion, real democracy will not be possible until at least banking is taken out of private hands. As Anatole France pointed out long ago in "Penguin Island," mere political democracy is coming to mean more and more government by financiers. If we desire real freedom and real democracy, we must break the power of the financial interests. A union based on the existing capitalist system might well increase it and make any drastic social change much more difficult.

How far are Mr. Streit's fifteen democracies genuinely democratic? France is at present—temporarily, it is to be hoped—under a dictatorship. England is in fact more an oligarchy than a democracy and is steadily becoming less and less democratic. There have been serious encroachments on individual liberty and on the freedom of the press, and Parliament is becoming more and more merely an instrument for registering or refusing to register the decisions of the government of the day. The House of Commons has no longer any initiative. Neville Chamberlain has been allowed until now to usurp almost dictatorial powers so far as foreign policy is concerned and to negotiate in secret with Hitler without even a representative of the Foreign Office being present at the interviews, so that nobody should know what was said. This sort of thing is not democracy.

From the American point of view a grave objection to Mr. Streit's proposal, it seems to me, is that it would separate the United States from Latin America. Surely the first duty and the first interest of the United States is to unify the American continent.

Nevertheless, this is a book that everybody should read, for it abounds with interesting ideas and pertinent criticisms and it anticipates the future. Its great value lies in the fact that it will prepare public opinion for what must ultimately be the solution of the problem of peace. ROBERT DELL

DRAMA

X Equals Love

CHARLES MORGAN, drama critic of the London *Times,* is best known in America for "Sparkenbroke" and other novels of considerable intellectual pretension. I doubt, however, that his reputation here will be greatly enhanced by his new play "The Flashing Stream," which has just been imported into the Biltmore Theater. Though obviously intended to appeal to an intellectual and spiritual upper class, the dish is compounded of familiar melodramatic staples and not greatly improved by liberal drenchings in some sort of highbrow gravy.

The scene is a lonely experimental station of the British Admiralty, and the plot concerned with the invention of a new aerial torpedo destined "to make England an island again" because it has the happy faculty of chasing bombers all by itself and then blowing 'em up when it gets close enough. This handy little device is being perfected by a naval officer consecrated to his task, but it depends, somewhat improbably, upon certain fabulously abstruse mathematical calculations, and he is compelled, against his better judgment, to admit to the lonely island a woman who happens to be not only second to Einstein alone in mathematical genius but second to no one at all in what none of the characters present upon this stage would think of calling s. a. She is, moreover, equipped with what all would be even less likely to denominate "round heels."

Probably it is not necessary to go any farther in detailing the plot. The monastic inventor and the far from monastic mathematician sleep with a drawn slide rule between them, and in the end, after the latter has convinced the former that women are really capable of "impersonal passion" (at least when they can't get access to any other sort), she saves the whole works—that is to say, the torpedo itself, as well as the self-respect, integrity, and sanity of its inventor. There is a great to-do about "control rooms" and the secret calculations "Series four." There is also much pseudo-scientific hocus-pocus about "spindles" and the constant K which may be a variable after all. Worse yet, there is even more soul-searching and high spiritual fiddle-faddle about the demands of the body and the health of the soul, making, all in all, what Hotspur would call such a deal of skimble-skamble stuff as would put a man out of all patience. Toward the end the meaning of the title is explained. I have forgotten what the explanation is, but I remember that it was very poetic. Godfrey Tearle plays the inventor remarkably well; of Margaret Rawlings as the mathematical glamor girl I can say only that she is probably all the author intended.

Charlotte Armstrong's "The Happiest Days" (Vanderbilt Theater) is a sentimental tragedy based directly upon a recent sensational newspaper story concerning the youth who made a suicide pact with his seventeen-year-old sweetheart when they discovered that she was pregnant and then lost his nerve after he had shot her through the head. Eschewing the sensational and striving for pathos rather than horror, Miss Armstrong tends to underwrite rather than overwrite, and the result is a sort of lachrymose idyl which some will doubtless find exquisitely touching but which struck me as weak and, finally, as false. The story is told with a background of rather trivial domestic realism, against which genuine tragedy would be obviously impossible, and, perhaps for that reason, the author funks the scene which alone could have made the whole convincing—the scene, that is tc say, in which the two young people reach their resolution. At the end of the first of the two acts we see them hardly more than greatly troubled; at the beginning of the second they are waiting with a pistol for the striking of the clock which has been agreed upon as their signal. Moreover, and again in accord with the aim to make the play less powerful than pathetic, the author has chosen to represent the young lovers, not as driven by despair and terror, but as motivated by the desire to die as lovers rather than run the risk of declining into the dull domesticity of their parents. To bring the curtain down, the father, adopting the same attitude, remarks that he envies his daughter because she will never lose what she has had, and thus he furnishes a conclusion which is sentimental in the most precise sense of that term—one, that is to say, which proposes an emotional resolution based upon premises which probably no single member of the audience would seriously accept.

The Group Theater is giving five special performances of "My Heart's in the Highlands," a very clever dramatization of one of the best stories by that daring young man William Saroyan. The piece runs for only an hour and a half, but some means should be found for giving the general public a chance at it. If further performances are arranged, I shall comment at length.

JOSEPH WOOD KRUTCH

RECORDS

MOZART'S great Piano Concerto K. 491, which Victor issued a few months ago, is now released by Columbia in a performance by Casadesus with the Paris Symphony under Bigot. The new set (four records, $6) is cheaper but in no way inferior. It is true that Fischer's playing in the Victor set is more incisive and forceful—which is advantageous to the powerful first movement. But Casadesus's phrasing, though more suave, does not lack strength; in addition I find his pace better for the last movement than Fischer's; and his orchestra sounds a little better on the records.

In marked contrast to the power of this concerto is the vivacity and brilliance of the Symphony K. 297 which Mozart wrote for the audience of the Concerts spirituels in Paris, and which Columbia has issued in a superbly dynamic performance by the London Philharmonic under Beecham (three records, $5). Columbia's two-record set ($3.25) of Brahms's finest orchestral work, his Variations on a Theme of Haydn, offers an excellent performance by the London Philharmonic under Weingartner; what it cannot offer is the characteristic sharpness of contour, transparency of texture, and miraculous subtlety of orchestral coloring that are in Toscanini's record-

ing with the New York Philharmonic. In another two-record set are Grétry's mildly charming "Danses villageoises," well played by the Paris Symphony under Ruhlmann; in still other two-record sets are Liszt's Hungarian Fantasy, his "Totentanz," and Mendelssohn's G minor Piano Concerto, the first two brilliantly played by Kilenyi with the Paris Grand Orchestra under Meyrowitz, the third by Ania Dorfman with the London Symphony under Goehr, and all three music that never would be missed.

Mendelssohn's Violin Concerto is another matter; and from Victor there is a new set (3½ records, $7) made by Menuhin and the Colonne Orchestra under Enesco—with highly competent and fine-sounding fiddling, and with lots of vigor and fussy shading for lack of the style born of poised maturity that is heard in Szigeti's version. On the other hand Myra Hess, in her poised maturity, seems to follow with Schumann the principle that Mengelberg once announced for Tchaikovsky: "Everysing exagéré"; and the result of this exaggeration is a performance of "Carnaval" (three records, $5) that makes of the "Valse noble" a "Valse sentimentale," and much the same thing of the entire work. The old Rachmaninov set offers less impressively recorded piano tone and noisier surfaces, but with these a sharper-witted, finer-grained treatment of the music.

Hindemith's Sonata for viola and piano Opus 11, No. 4, which Victor offers in an excellent performance by Primrose and Sanroma (two records, $4.50), is an early work, much of it conventionally melodious and pleasant, with only a hint occasionally of the unattractive procedures of the later works that we associate with his name. On the other hand, Music for Four Stringed Instruments (three records, $6.50) represents Loeffler well past his prime, when inspiration had run out but matured technical powers could keep things going—in this case with skilful writing for strings which the Coolidge Quartet's performance makes effective. As for Copland's "El Salon Mexico," excellently performed by the Boston Symphony under Koussevitsky (two records, $4.50), it tells us what Mexico meant to the composer of the granitic Piano Variations; and what it meant—expressed in music which puts the sensuous, languorous tunes into a rhythmic strait-jacket and pours harmonic acid on them—is not what it would mean to most of us.

More rewarding is Victor's set (three records, $6.50) of Pergolesi's "Stabat Mater." This is music that one would like to hear sung with adult timbres and phrasing, but that has charm of a different kind when sung with the bright clarity of the voices of the Vienna Choir Boys.

Ernst Victor Wolff's harpsichord playing is something I invariably enjoy for the brilliance of its coloring and the vitality of its phrasing (as against the vitality of mere thumping); but almost invariably I do not enjoy the music in which he lets me hear it—this time Bach's Ouverture à la manière française (Columbia: four records, $6). But a Columbia single ($1.50) offers an excellent new recording by Commette of his eloquent performance of Bach's great D minor Toccata and Fugue for organ.

Modern Record Company of 132 West Forty-third Street, an offshoot of Theater Arts Committee, is issuing records (75 cents each) of "songs of political and social comment."

The first is a coupling of "Abe Lincoln" and "Joe Hill," both well sung and recorded; and a second, offering "Picket Line Priscilla" and "Swing TAC," has been announced. Also, some readers may be interested in a record produced by Walter C. Garwick of Rye, New York, under the auspices of the National Council of Teachers of English. On one side Dr. Harry Morgan Ayres discusses the reading of Chaucer; on the other side he reads passages from "The Canterbury Tales."

B. H. HAGGIN

FILMS

"WUTHERING HEIGHTS" (Samuel Goldwyn) is, so far, the best picture of the year, such outstanding foreign films as "Grand Illusion" and "The Puritan" not excluded. It leaves "The Citadel" and "Pygmalion" far behind. It is a solid, beautiful, and convincing piece of moving-picture art unspoiled by the concessions to outworn formulas or the avoidance of decisiveness at the crucial point which are the two foremost reasons for the low level of even the more ambitious undertakings of the great industry. One consideration seems to have dominated this production of the movie version of Emily Brontë's famous novel of a century ago: faithfulness to the selected theme of passionate love.

Charles MacArthur and Ben Hecht of "Gunga Din" shame have made surprising use of their great talents and their better selves in adapting the Victorian novel for modern appreciation. They have limited the story to the essentials: Cathy's betrayal of her love for the sake of clothes and a gentle home, the eternal conflict of the female, and Heathcliff's return and—I almost said revenge, but what comes so liberatingly through at the end, in one of the most moving deathbed scenes ever shown, is the realization that Heathcliff is not a psychopath but a great character. His actions destroy Cathy's body but save her soul. They destroy him but rescue their love. Depth triumphs over shallowness. Tragedy is not patched over with convenient compromises but is resolved. Thus, the inner story with the strength to strengthen is told in terms of a poetic realism which is in itself a triumph. There is no cheap line, no silly by-play. Every detail serves the whole.

Such a script needs a director who is more than a first-class technician. William Wyler, whose "Dodsworth" is still memorable, takes with "Wuthering Heights" a great step forward. He avoids any superficial effect, aims always at the heart of the theme, and reaches it in the most simple and at the same time the most subtle way. A little detail: note how the light plays on Cathy's face while Heathcliff's remains in shadow as they look through the window at the ball in the neighbor's mansion; the whole approaching conflict is given in the lighting. So, with a hundred other masterly handlings of movie means, Mr. Wyler recreates the mood in which alone the story is able to live. Take the beautiful, somber, and romantic landscape in which he sets the walls of Wuthering Heights. Wyler never succumbs to the common temptation to use the magnificent scenery as a spectacle in itself. There are moors, clouds, trees, and rocks, snowstorms and rain storms, but stronger and more beautiful than nature remain man and his passions. If I object to one thing it is the image at the very end of the lovers walking side by side up to their "castle" in the rocks. This device does not aid but rather suppresses the imagination. Otherwise there are only economy and truthfulness. Wyler subdues his excellent technique to serve his ends; he does not display it. The actors are always led to the limit of the possibilities of the theme but with the greatest of taste and the most careful balancing of the values involved.

The cast is faultless. Merle Oberon looks the Victorian heroine and Laurence Olivier the uncompromising man. Both play with legitimate modern overtones which stress the eternity of their conflict. David Niven as the gentle husband and Geraldine Fitzgerald, a newcomer of great promise, as his sister give equally perfect performances. Special mention for Flora Robson as Ellen, the maid, who tells the story. A flawless supporting cast and a generous production help to instrument the symphony. Last but not least, for all this we must thank Samuel Goldwyn, who, let us hope, will not soon sever his connection with serious movie art, newly established through this picture.

After "Wuthering Heights" it seems impossible to review the normal run of pictures of the past two weeks. Therefore I only list them as seen:

"Three Smart Girls Grow Up" (Universal), a feeble vehicle for the charming Deanna Durbin; "Alexander Graham Bell" (Twentieth Century-Fox), "one of the sweetest box-office stories ever told"; "Dodge City" (Warner Brothers), a new low in technicolor; "Midnight" (Paramount), praised as one of the best comedies of recent years but too plot-conscious.

FRANZ HOELLERING

Letters to the Editors

UCAPAWA vs. STFU: Mr. Brophy Explains

Dear Sirs: Your issue of March 18 contains assertions about the CIO and the United Cannery, Agricultural, Packing, and Allied Workers of America that should be corrected in the interests of a true picture of the relations between that organization and the officers of the Southern Tenant Farmers' Union.

You state that "the break was precipitated when Donald Henderson, president of the UCAPAWA, suspended the elected officers of the Tenant Farmers' Union on charges which boil down to refusal of the union to surrender its autonomy." This is not correct. The suspension of the officers of the STFU was ordered by unanimous vote of the executive board of the UCAPAWA after they had refused for many months to observe the constitution of the UCAPAWA or to cooperate in any way with it. The autonomy of the STFU was observed by the UCAPAWA throughout this period. Per capita dues were returned to the STFU for organizational work, until the officers of the STFU ordered its locals to cease making such payments.

You express further your hope that "the top executives of the CIO will find time to resolve the difficulties of a union whose importance is far greater than its size," and state that the STFU "has appealed to the CIO to bring about a fair settlement." For your information the CIO has devoted time and effort to the settlement of the present dispute between the officers of the STFU and the UCAPAWA, at the request of both. After several meetings with officers of these organizations a plan of settlement was worked out as follows: (1) The officers of the STFU would agree to abide by the constitution of the UCAPAWA. (2) The STFU would continue to enjoy full autonomy within the framework of the constitution of the UCAPAWA. (3) The suspension of the officers of the STFU would be lifted by the executive board of the UCAPAWA. The plan included the statement by the CIO: "It is also our view that matters affecting the relationship of the STFU within the UCAPAWA can be fully reviewed at the convention of the UCAPAWA. Furthermore, once the legal channels of the international have been fully used, the executive board of the CIO is open for review and action on all proper appeals."

This plan was accepted by the UCAPAWA, but after indications from one of the officers with whom we conferred that it would be acceptable it was rejected by the officers of the STFU. In the meantime the Missouri and Oklahoma sections of the STFU have shown their disapproval of the action of the STFU officers by voting in convention to affiliate directly to the UCAPAWA.

The interest of the CIO in and its aid to the terribly exploited tenant farmers and share-croppers of the South will be maintained.

I may add that the CIO is not in the habit of guiding its policy by the familiar accusations of "allegiance to an outside political group." Newspaper and other attacks on the CIO have dulled whatever edge this weapon once possessed.

JOHN BROPHY,
Director of the C. I. O.

Washington, March 30

The STFU Replies

Dear Sirs: When the Southern Tenant Farmers' Union, in September of 1937, entered the CIO it was with an agreement that it would retain its administrative self-government over its entire organization. The status of an autonomous affiliate was accepted by Mr. Henderson in an address before the STFU convention and was written into the district constitution. Without this agreement the membership of the Southern Tenant Farmers' Union would never have affiliated with UCAPAWA.

At the suggestion of the director of the CIO the STFU agreed to accept the status of "restricted district" in UCAPAWA, giving up STFU locals in Texas in May of 1938. The previous agreement of complete autonomy and self-government was formally recognized by the International Executive Board of UCAPAWA. No sooner had this agreement been made than Mr. Henderson proceeded to make it also a scrap of paper. Circular letters were sent out to STFU locals designed to destroy the confidence of the membership of the STFU in its own elected leadership.

In December of 1938, the second convention of UCAPAWA was held 2,500 miles away from the STFU district. The Southern Tenant Farmers' Union had 146 locals in good standing and entitled to representation. There were only 325 locals in UCAPAWA. It was possible for only nine delegates to get to the San Francisco convention. Those delegates were seated as representatives of single locals, and 137 other locals were disfranchised. Every single proposal made by the STFU delegation was defeated, and the delegates were attacked on the floor of the convention. The constitution was changed over the protests of the nine delegates. All autonomy formerly granted by the UCAPAWA constitution to district unions was taken away. This meant that the agreement with the Southern Tenant Farmers' Union was completely abrogated by official action of the UCAPAWA convention.

The Southern Tenant Farmers' Union's fifth annual convention on January 1, 1939, petitioned the international for a continuation of the original agreement. A resolution stating the minimum requirements of the STFU was adopted unanimously and forwarded to Washington. On January 25 a letter was received from Henderson stating that STFU locals would have to deal directly with the Washington office. The Executive Council of the STFU meeting on February 11 officially notified the international that if reports were made by locals of the STFU it would be done in line with the original agreement guaranteeing the autonomy of the STFU as an organization affiliated with UCAPAWA, that is, through their own organization.

On February 23 letters were sent out by Henderson to STFU organizers offering them jobs as international organizers and announcing that the Southern Tenant Farmers' Union would be reorganized and broken up into statewide organizations chartered direct by UCAPAWA. Without previous notification of any charges and in violation of the UCAPAWA constitution, Henderson on March 1 announced that all the elected officers of the STFU were suspended and that state conventions beginning in St. Louis on March 12 would be held to establish unions dual to the STFU.

Upon receipt of the first of the letters attempting to bribe STFU organizers with jobs, the Executive Council of the STFU ordered a referendum vote empowering the officers to withdraw from the UCAPAWA. The STFU requested an interview with John L. Lewis, president of the CIO, for a delegation to be sent to Washington.

Conferences were held in Washington on March 8 at the offices of Mr. Brophy, and there Henderson flatly refused to rescind his suspension order and call off the dual conventions. The STFU delegation was told that if they would accept the UCAPAWA constitution and forget the agreement of 1937, officers would be restored. However, Henderson stated that he was going through with the division of the Southern Tenant Farmers' Union into state organizations.

On March 9, at an interview with STFU representatives, Mr. Brophy proposed that the STFU agree to a trial period of one year working within UCAPAWA, during which time our autonomy would be guaranteed by the CIO. At the end of the period the CIO board would review the entire situation and make its recommendations. Mr. Brophy said he would see that Henderson accepted this proposal. I agreed to urge the STFU council to accept such a guaranty and to continue within UCAPAWA.

On March 10 the actual proposals were received in Memphis. These proposals, made in the name of the CIO, meant unconditional surrender to Henderson. The first condition was complete acceptance of the UCAPAWA constitution, which abrogates all autonomous rights of the STFU. The second proposal gave lip service to STFU autonomy, but it was canceled by the first, since under the constitution UCAPAWA districts, of which the STFU was one, became mere organizing committees completely controlled by Henderson and his executive board. The last proposal was the lifting of the suspension of the officers, provided the other conditions were accepted.

The STFU council ordered me to ask Mr. Brophy for clarification and authorized me to say that we would accept his proposals if autonomy meant real control of our affairs. Mr. Brophy informed me that we must accept the conditions as stated.

By that time returns on the referendum vote from 138 locals were in. Only two locals favored remaining in UCAPAWA. Without guaranties of the continuation of the Southern Tenant Farmers' Union as an organization, the council ordered immediate withdrawal from UCAPAWA.

We charge, and we are prepared to prove, that Donald Henderson acted not as a trade unionist owing his allegiance to the membership of UCAPAWA, of which we were the most significant and one of the largest sections, but that he acted as an individual concerned with advancing the interests of a political party. No trade unionist in his right mind goes about destroying his own organization.

If the CIO takes no further steps and allows Henderson to use its name to call comic-opera conventions to set up paper organizations dual to the Southern Tenant Farmers' Union, it is doing a great injustice to its 4,000,000 members who have a stake in its future.

H. L. MITCHELL, Secretary,
Southern Tenant Farmers' Union
Memphis, March 30

CONTRIBUTORS

KENNETH G. CRAWFORD, Wa ington correspondent of the New Y *Post,* is the author of a book on lob ing, "The Pressure Boys," to be p lished shortly.

ADOLF STURMTHAL was for ma years head of the Research and Pub cations Department of the Labor a Socialist International. He has al served as London correspondent Czech newspapers.

HAVELOCK ELLIS is the author "The Psychology of Sex" and ma other books. The Living Philosophi series will be published in book form Simon and Schuster.

BURT GARNETT was formerly ma aging editor of the Washington *Hera* and the Washington *Daily News.* H is one of the founders of Editorial R search Reports.

ARTHUR MIZENER is in the Engli Department at Yale University.

GERSTLE MACK is author of "Pa Cézanne" and "Toulouse-Lautrec."

KLAUS MANN is coauthor with h sister, Erika Mann, of "Escape to Life

MAXWELL GEISMAR teaches Engli at Sarah Lawrence College.

INFORMATION FOR SUBSCRIBERS
THE NATION, 20 Vesey St., New York. Pri 15 cents a copy. By subscription—Domestic: O year $5; Two years $8; Three years $11. Add tional Postage per year: Foreign, $1; Canadia 50 cents. The Nation is indexed in Reader Guide to Periodical Literature, Book Revie Digest, Dramatic Index, Index to Labor Period cals, Public Affairs Information Service. T weeks' notice and the old address as well as t new are required for change of address.

UTORS

WFORD, Wa
of the New Yo
a book on lobb
Boys," to be pu

AL was for ma
search and Pub
of the Labor a
l. He has al
correspondent

is the author
Sex" and ma
ving Philosophi
d in book form

was formerly ma
Washington *Hera*
Daily News. H
s of Editorial R

R is in the Englis
University.

s author of "Pa
use-Lautrec."

coauthor with h
f "Escape to Life

AR teaches Englis
ollege.

R SUBSCRIBERS

St., New York. Pri
iption—Domestic: O
Three years $11. Add
Foreign, $1; Canadia
indexed in Reade
erature, Book Revie
ndex to Labor Period
rmation Service. T
address as well as t
ge of address.